

## EXTENSIONS OF REMARKS

## Atomic Energy and Its Future Effects in Industry

## EXTENSION OF REMARKS

OF

## HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. BUTLER. Mr. President I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech entitled "Atomic Energy and Its Future Effects in Industry," which I delivered on September 24, 1955, before the executives' industrial relations conference, sponsored at Valley Forge, Pa., by the Past Presidents Association of the Pennsylvania Industrial Management Clubs.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

## ATOMIC ENERGY AND ITS FUTURE EFFECTS IN INDUSTRY

(Address by Hon. JOHN MARSHALL BUTLER, of Maryland, before the executives' industrial relations conference, sponsored by the Past Presidents Association of the Pennsylvania Industrial Management Clubs, September 24, 1955, Valley Forge Military Academy, Wayne, Pa.)

It is my intention today to discuss some aspects of the industrial future of atomic energy. This great new source of power and varied tool for industrial applications has received much attention recently. I may be able to suggest very few new uses to a group of informed men who have followed the public press and listened to the radio. But I do have fresh impressions to offer you, based upon my experiences at the Atoms-for-Peace Conference in Geneva. I also can offer some thoughts on the future of the atom from the vantage of the Senate, as I have studied these problems in Washington.

I think it is safe to say that no one can really know what exciting new developments will come from atomic research already completed or underway today. It does seem certain that it is destined to bring about great changes, improving our lives and creating fresh business opportunities. Although life will go on much as it always has, with many serious economic problems remaining to be solved, nonetheless the atomic future shows greater promise than the so-called realists were conceding not so long ago. And these changes are coming sooner than many expected.

We can recall the first announcements of our conquest of nuclear fission made at the close of World War II. Public speculation ran all the way from fearing the world would blow up in some chain reaction carried beyond human control to stories of a world with all goods virtually free. Our automobiles were to run for a year on a small pill dropped in a tank of water. Both the military hazards, great though they may be, and the peacetime uses, promising as they are, were exaggerated in that first flush of excitement.

Then it became popular to debunk the atom. The bombs were shown to do little damage to many types of targets, and to be insignificant as compared with the power of nature on a rampage in a hurricane or a flood. Power costs were demonstrated to be very high and shielding problems of radiation too great to warrant the use of mobile

powerplants. While the public debunking became more scientific and conclusive, the secret work in our laboratories and those of other countries continued.

Now a large number of the debunking claims are clearly obsolete just as were the first stories which went to the other extreme. The so-called little bombs which were dropped on two Japanese cities have been superseded by giant fusion weapons of many megaton yields. Their radioactive fallout can destroy great nations. These weapons at first were also "debunked" as nondeliverable, but that has changed, too. There are aircraft in being that can deliver such weapons. We all know these things, and one of the adjustments of our life, economic and political, must be to these realities.

But fortunately, the understanding of the atom has brought great promise of good as well. If we have faith in man's future, and in the future of America, we must believe that its potential for good is even greater than its potential for destruction. Man-kind must develop the wisdom to make this true, for it is in his power to do so.

Developments in the laboratories are coming so fast that we cannot now see all the applications which will be made of this new knowledge. It is most important that we sustain our effort in research, to push back the frontiers of the unknown in the basic sciences. This is necessary if we are to achieve the practical applications of the atom which seem to rest in it. For example, one of the most exciting discussions at Geneva involved the possibilities of harnessing the fusion method of the so-called hydrogen bomb to create controlled release of energy. This would be a tremendous step forward. But much hard work will be required to make it a reality, if it can be done. New basic research will have to aid this effort.

But while we are waiting for this kind of development, and others still more startling, there is already available for the taking a tremendous business future in the atomic field. For convenience of discussion, let me suggest by categories some of the opportunities which confront businessmen.

## ATOMIC POWER

Large power plants now being built in this country, the United Kingdom, and the Soviet Union will not deliver power at very low cost. This is because they are based upon simple and tested designs of a rather primitive nature. Our first of this type is, of course, here in Pennsylvania at Shippingport. The British equivalent is the plant at Calder Hall which will probably be in operation sooner. The presently operating Soviet plant outside Moscow is only a tenth the size of our plant. But the Russians also seem to be in the preliminary steps of developing some large plants, quite possibly as soon or sooner than this country.

Such plants, whatever their delivered power cost, will give an invaluable amount of experience so necessary to the lowered cost revolution which can be expected. Presently published data indicate that improved breeder and homogeneous reactors offer power prospects whose costs will rival the lowest of modern thermal or hydroplants. We can expect additional power-plant construction to come at an accelerated pace. This may rival the great railway boom of a century ago.

The significance of these developments is at least threefold. In the first place, there is the promise of tremendous capital expenditures which will help to expand our whole national economy. In the second

place, the location of new industries will be oriented less by bodies of coal or oil or gas, than by markets and other resources. In the third place, the threat of rising power costs caused by the exhaustion of the most accessible chemical fuels will not be the danger it was.

But probably it is necessary to add one qualification to this very happy outlook. It is apparent that power will not be free. The capital investment in facilities for the preparation of atomic fuels, for the operation of the pile, and for the recycling of spent fuels will be very great. There is also the normal investment cost for turbines and for electric generating and distribution systems. The future is glorious enough without asking the impossible. This means that exploitation of our present knowledge of the atom will guarantee us fresh new supplies of power, soon at competitive costs. But there will not be any revolutionary cost reduction for those areas which already enjoy the advantage of moderate cost chemical fuels or good hydro sources.

One distinct impression I bring back from Geneva is the necessity for speedy development of moderate-sized atomic powerplants which operate with good efficiency. In the United States, our hope for making atomic power costs competitive has been to build much larger plants, in the range of from 50,000 to 250,000 kilowatts. This promises to bring us economies per kilowatt of capacity. Plants of such size at so early a stage of development of the science run the risk of becoming obsolete almost as fast as they can be completed. But we must build them for the invaluable experience they will give us. Only a rich country with very large supplies of both private and public capital can afford this kind of developmental risk.

The many delegates from the smaller countries of the world who came to Geneva were greatly impressed by what they saw and heard. Yet they knew, in many instances, that they will have only limited opportunities to share immediately in this new source of power. This is because they cannot afford to build very large atomic powerplants, and their needs are not yet for such concentrations of power output. They want experimental reactors, which our Government is prepared in the interest of world peace to help them construct.

They also would like moderate-sized plants which will produce usable power at a cost which is lower than they now pay in conventional plants.

It is important to recognize that one reason commercial atomic power in this country may have lagged, if indeed it has, behind that of the United Kingdom and possibly the Soviet Union, is that most of our country already has available fairly cheap power from conventional sources. The business realities of breakeven costs have tended to rule out any rush to build atomic power plants on a purely commercial basis in competition with modern thermal plants or with favorably situated hydro sources. The only hope of breaking even, as I have suggested, has been with very large plants.

In many of these foreign countries, however, the problems are different. The British for example have faced many years of declining availability of cheap coal and rising needs for imported oil. The Japanese will face similar problems. The Russians are notably short of good fuel near their largest industrial cities of Moscow and Leningrad. Many other countries have been held back in their development by either a lack of fuel or by its very high cost. Some of these, then, are places where even a fairly primitive atomic power source which we would not consider competitive would be a great aid

to the users. It is for this reason that some of the first spurts of construction in plants may come in foreign countries rather than in our own.

But we cannot afford to sit back, or to play a passive role in the development of these more modest power plants which other countries could use. We must apply ourselves to increasing the efficiency and lowering the costs of such plants, for they can be useful to us in several ways.

In the first place, such power plants developed by our know-how and our manufacturing companies will keep us in the atomic lead. We must do this in a rapidly changing world, where American strength is so important to our survival. In the second place, unless we demonstrate this kind of progressive cooperation, we are likely to find that foreign rivals both friendly and otherwise, will be taking the orders for equipment, supplying the technicians, controlling the fuel sources. This would isolate us from other peoples with whom we should maintain close relations in the interest of peace and prosperity.

In the third place, we must not neglect the advantages which can accrue to our own country if we develop competitive modest-sized power plants. We know that once electricity has been generated, there are great losses of that power if it must be transmitted any considerable distance. There are many parts of the United States which would enjoy a better development and be able to bring into full use their other resources if they were able to generate power at moderate cost without either long hauls of heavy fuel or long distance transmission of electric power. The established areas of our country should not worry about new home rivals brought by cheaper local power. The whole country can expect to go forward with the general growth and prosperity which is within our reach if we show the right wisdom in ordering our affairs.

For the future, we are faced with more speculative conclusions than the ones I have emphasized. Perhaps we will learn to convert on a large scale, atomic energy directly into electricity without having to go through a steam-turbine, heat-transfer cycle. Perhaps we will learn to control the fusion process. Perhaps there are other even more economical methods waiting to yield to determined research.

#### RADIOISOTOPES

I am sure that most of you are aware that the byproducts of atomic fission are more than a radiological hazard. These byproducts are some of the most surprisingly important consequences of the new peacetime use of the atom. After all, uranium, thorium, and plutonium are today only different fuels which are used to generate heat to create conventional power no less in cost than that available many places already. But the radio isotopes created in atomic piles have opened up a host of new applications limited only by the ingenuity and inventiveness of our people. There are almost certain to be many new uses for such isotopes in the years ahead; we have barely scratched the surface.

Among my listeners, almost certainly there are some who are making applications of these new tools for research and for production. In manufacturing we see how the introduction of small amounts of radioactive materials into a product can create the means for measuring the thickness of materials with great ease. The uniformity and thickness of coatings can be measured on a production line without taking time out for laborious analyses. With tracer elements it is possible to test the effectiveness of designs, such as internal friction and wear in engine parts. In the chemical industry the movement of catalysts, the travel and behavior of many elements can be identified for the first time.

Biology and medicine are making similar new applications. Some of these are in basic research, particularly as tracer elements. But, also, anyone of us here may have a better chance to stay alive because of the availability of new tracer elements which can identify the functioning of parts of our bodies and locate troubles within them. An illustration of the dual use of isotopes is the ability of one of these materials to locate a brain tumor if present, and for another radioisotope to serve as a directed source of energy. It can selectively destroy cancerous cells which might be almost impossible to reach through surgery. Our supplies of these isotopes have been the equivalent of an almost unbelievable increase in the amount of radium available to hospitals everywhere. Radium is expensive, and only very small amounts are available. Now, for the same purpose, radio-cobalt can be used with much greater freedom from limitations in cost or quantity.

In the field of agriculture the isotopes are providing much help to research. Serving as tracer elements, it is possible to determine the effectiveness of fertilizers and methods of their use, the importance of specific elements in plant growth, and even to probe the secrets of photosynthesis. If we solve all the mysteries of how plants can create food from sunlight, carbon dioxide, and water we may change the problems of food shortage for those parts of the world which are feeling population pressure. We may be able to create new synthetic foods, industrial raw materials, and chemical fuels which will mean a more abundant life for our people. Many problems promise to yield to research made possible by the new applications of radioisotopes. Controlled exposure of foods to radiation may serve as an efficient substitute for refrigeration.

Some of you probably recall another application of isotopes which is both simple and effective, although one of the surprise bonuses of the new age. Now we control the movement of different batches of petroleum products through pipelines by introducing tracer elements which can be monitored along the way to identify the beginning and end of a particular shipment.

The opportunities for further applications are a matter of individual ingenuity, and many a small business in this country has as much chance to think up and apply these new uses as do the larger corporations. The size of the investment is often not a serious obstacle to success.

#### MOBILE SOURCES OF ENERGY

Although the day of the atomic-powered automobile is not here yet, there has been significant progress in learning how to use atomic energy to move vehicles. This, of course, has had its initial impetus under the pressures of military rivalry.

The *Nautilus* is now an operating reality, and the *Sea Wolf* will presently join the fleet, too. Not only do these submarines represent a significant advance in naval power to safeguard America, but they have immensely speeded the development of the land-based powerplants which I have discussed earlier. A larger seagoing reactor is likely to be installed in some of the big aircraft carriers of the *Forrestal* class. Not many people doubt that our country leads the world in military applications of mobile powerplants.

But our position as first partner in a world of friendly nations requires that we demonstrate leadership in peacetime use of atomic-powered ships. The President's dramatic plan to build an atomic-powered merchant ship which could tour the world as a floating exhibit of our peacetime atomic progress was a very important proposal.

I was the cosponsor of a bill this year introduced into the Senate to undertake the construction of such a ship. It was a simple and direct plan to give the President the authority he required to accomplish the construction of such a vessel at the earliest

practical date. I hope very much that the Congress will again take up this bill and make it law. Such a ship, carrying an atomic powerplant would allow it to cruise for months at high speed without the necessity of refueling. It could give us invaluable experience for the day when perhaps most ships will carry such powerplants and do so with economy. Further, the kind of wonderful exhibits which I saw at Geneva, instead of being limited to the few people who can reach Switzerland would enable millions near the great seaports of the world to share in a glimpse of the new age we are entering so rapidly.

The nuclear-powered aircraft seems destined to come first in a military version, and our step-up of funds for research and prototype building suggests important breakthroughs in our attack on what had seemed like insurmountable problems. One of the most critical has been how to reduce the weight of shielding the airborne atomic pile required for the protection of the human beings in the craft. This problem is being solved, and we should see an atomic-powered plane in the air within a very few years. But here, too, conventionally-powered turbine planes are likely to have a long future, for passenger transports are not yet ready to shift to the newly designed atomic engines.

On land, it is likely that the first practical application of mobile atomic power will be in a railway locomotive. Because shielding is still a problem, few other vehicles are immediately ready to carry the weight that will be involved. Detailed plans for an atomic-powered locomotive have been offered publicly in engineering circles. These designs may be further improved by new principles which allow the moderator-coolant-heat exchanger part of the pile also to serve as its shielding agent. If the concepts proposed for this advance prove successful, the day of both airborne and land-carried atomic power-plants will be greatly speeded.

The exhibits at Geneva were an eye-opener even to the most blasé observer. The great variety of applications, the number of firms prepared to manufacture components were a revelation that the atomic age which has been hidden by security is about ready to burst forth with revolutionary swiftness. I have told you I think the atomic-powered ship with its traveling exhibit is a very necessary move in our world relations. I am of the opinion that the American people, even with the splendid coverage our press and radio give the news cannot be fully aware of these great changes until they see such exhibits first hand. For this reason when the Congress convenes again in January, I am going to offer a new bill to authorize the speedy construction of an atomic-powered railway locomotive. This forced development of a vital new device will speed the revolution in domestic transportation, and will also serve the same purposes as the atomic-powered floating museum on the seas.

Such a locomotive could tour the United States pulling an exhibit train which would dramatize the changes coming. Every American could experience the thrill, and gain the vital knowledge good citizenship requires, of the atomic wonders which we can have. Almost certainly such an exhibit train as a result of its tour would stimulate new applications of atomic methods, and increase interest in capital expenditure for new atomic power sources. Thus it could do as much as any single act to spark our expansion in a new economic age.

#### CONCLUSIONS

Our Government has spent vast sums of money in creating its atomic industry, its nuclear weapons, and its prototype power sources. This has been necessary to launch so revolutionary a change. Government control was necessary, too, because there was a period where a major attempt to maintain security of information was important in a world torn by dissension.

But conditions have changed, and Geneva was living proof of this change. On the one hand, we have learned enough about the workings of the atom to be ready for aggressive development of the science and its engineering applications. Private capital, with opportunities unlimited for both large corporations and many small businesses, must find its own future in this field. It is only as we can make information available, and license more broadly the processes and materials of atomic energy that this American ingenuity can come into play on a broad front. This, it is most important that we do.

On the other hand, Geneva revealed that although our policies were wise at the earlier stage to maintain security of information, conditions in this respect have changed, too. Some of our secrets were stolen by rival powers. But in their own right, drawing upon a common fund of worldwide scientific knowledge and upon the resourcefulness of their own scientists and engineers, other countries are moving rapidly into applications of this atomic know-how. We can no longer pretend to any monopoly of such knowledge. This we must accept, and adjust our policies and our laws accordingly. For it is in our interest not only to share our information on peacetime uses of atomic energy, but to learn from other countries, too. Scientific knowledge has never been the monopoly of any one country, and the exhibits and the technical papers at Geneva certainly made this clear.

Of course, judgment must be used as to what we are to disclose, and we must show commonsense in knowing what is to be left hidden by security rules. We must decide what is to be licensed, and what is to be freely exchanged with other countries for mutual advantage. The reasons for this exchange are many, and some of them I have suggested already in my talk. They are partly military, partly political, and partly technical. Others are a matter of good business. Freedom of access to markets, of availability of fuels, of design competition, offer us the best hopes for rapid atomic development. Such development in turn will help to create a world in which all men including our own people will be more prosperous and contented.

Valley Forge is a name famous in American history. It combines for us memories of our own political revolution and military struggle against heavy odds and great hardships to create the country we love and serve today. It also suggests the industrial beginnings of our country. Now with the passage of time this region is part of the great industrial concentration of the Delaware Valley. In this part of the country, we know that a good future lies ahead, with proper effort made to develop our potentialities.

The facts now are different because we live in another age, but we must have the same spirit of faith in the future of our country and in our own ability to meet the challenges of today. Valley Forge is a fit symbol of the force which must motivate us to continue our development and to take in stride the industrial and political changes which the new atomic era will bring us.

65 years of age. Their number is increasing at the rate of 400,000 a year.

In view of the growing number of senior citizens in the Nation a symposium on gerontology in Cincinnati today takes on added importance.

The meeting, titled "Constructive Medicine in Aging: Problems of the Mind in Later Life," is the second annual symposium on gerontology sponsored by the Wm. S. Merrell Co., of Cincinnati. Producer of medicines since 1828, Merrell is recognized as a leader in gerontological research. It is directing currently over 50 percent of its research activities toward the development of new and better drugs for our older citizens.

Although gerontological research is comparatively new, several drug discoveries already have been made possible through research activities at Merrell.

The first drug, meratran, was released early in 1955. Dr. Howard Fabing, of Cincinnati, has reported it is highly effective in combating mild depression and emotional fatigue. Since these are often complaints of the older patient, the drug is valuable for geriatric use.

Frenquel, the second drug, was made available in December 1955. It is anticipated that this drug may provide new hope and a return to normal life for many mentally ill patients suffering from acute schizophrenic hallucinations.

Merrell also has produced tace, a unique type of estrogen valuable for treatment of certain ailments striking chiefly our older men and women. The Journal of the American Medical Association recently editorialized on the properties of the ideal estrogen and compared tace favorably with the ideal standards.

Merrell is aiding the medical profession's attempts to meet an impending challenge to our social stability. It is accepted generally that medicine has been largely responsible for prolonging life and now is gravely concerned with finding ways and means to make these extra years productive and enjoyable. Through the combined efforts of the medical and allied professions it is hoped that later years will become golden years.

Thus, this increasingly important challenge of medicine—the search for ways to make the sunset years productive and useful—is bringing several hundred doctors to Cincinnati to hear eight experts tell of the most recent developments in the field of mental problems of the aging.

1956, before the House Appropriations Committee in opposition to the proposed closing of the paint-mixing facility at Mare Island Naval Shipyard, Vallejo, Calif.:

Mr. Chairman and members of the committee, it is my understanding that the Defense Department has provided notice to the House and Senate Appropriations Committees that certain activities of the Navy and Army will be terminated unless an objection is received from the House Appropriations Committee or the Senate Appropriations Committee. It is my further understanding that one of the activities which the Defense Department proposes to terminate is the Navy's paint mixing facility at Mare Island Naval Shipyard, Vallejo, Calif.

I should like to register a strong protest against the proposed closing of this paint mixing facility, and I hope that this committee will disapprove this proposal. In my opinion the closing of this paint mixing facility would be most unfortunate, and would be against the best interests of our national defense.

During World War II the Mare Island paint mixing facility was an essential operation in manufacturing paint for naval use, much of it a special plastic paint for ships' bottoms. This special plastic paint had been developed at Mare Island after more than 7 years of laboratory work and field testing. It is important to note that the paint industry did not develop this formula—the Navy Department did at Mare Island Naval Shipyard.

This bottom paint permits ships to remain at sea in war areas for years without having to leave their station to proceed to a drydock, which may be many days' sailing, and hundreds, or even thousands, of miles away. Before the successful development of this formula, ships had to drydock frequently, as a clean bottom, as you well know, is an important factor in making maximum speed. A foul bottom also means that ships use more bunker fuel per mile, which means more frequent fuelings. The logistics supply of fuel to a fleet at sea over great distances is always a serious problem, as tankers can be sunk.

With the extension of our sea frontiers to far horizons as an implementation of national policy, bases are often inaccessible, and anything which can be done to extend the sea-keeping days of a fleet is vitally important, as I see it. Thus it is important that the bottom paint furnished the fleet be of impeccable quality and in exact conformity to the formula. The Navy's manufacture of its own paint under its own formula has met all service tests. We should not tamper, in my opinion, with a proven system and a proven product. The paint industry, although it has had every opportunity to conduct a similar laboratory and testing program, was never able to develop this bottom paint. The Navy, on the contrary, is consistently experimenting in laboratory and testing facilities to improve paint for the Navy's peculiar need. This was the reason why the Navy established the paint-mixing facility at Mare Island Naval Shipyard. This facility meets special requirements which industry cannot, or at least has not, met.

At the present time, the Mare Island paint-mixing facility is limiting its production to the special plastic paints solely for Government use. If this work were transferred to commercial plants, it would be necessary for the Navy to establish a costly inspection corps at each commercial plant involved, as it is vital to national defense that this paint be manufactured exactly to formula. In addition, such a transfer would mean that the expenditure and investment that the Government has already made for the equipment and buildings occupied by the Mare Island Paint Mixing Facility would lie

### Mental Problems of the Aging

EXTENSION OF REMARKS  
OF

HON. GORDON H. SCHERER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. SCHERER. Mr. Speaker, there are approximately 14 million persons in the United States today who are over

### Paint Mixing Facility at Mare Island Naval Shipyard

EXTENSION OF REMARKS  
OF

HON. JOHN F. BALDWIN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. BALDWIN. Mr. Speaker, under leave to extend my remarks in the Record, I would like to insert a statement which I made on Tuesday, January 10,

idle. It would certainly appear that using plastic paint produced commercially would add to the Navy's costs, rather than being an economy.

I fully understand that it is the Defense Department's desire to stop Government competition with private industry whenever there is no harm to the national defense involved. However, in this case, I am convinced there would be harm to the national defense.

Another factor which to me seems important to national defense is that if the Mare Island paint-mixing facility be closed, the skills of the group of employees which grew up with the development of this paint would be dissipated and lost. Without these skilled men, the paint-mixing facility will be an empty shell when the next national emergency requires its reopening.

It seems to me of essential importance to the Nation that the Mare Island paint-mixing facility be allowed to continue to operate in the modest way in which it is now operating in the manufacturing of special plastic paints, and be allowed to continue its research and tests looking toward the further betterment of this product. It would seem most important that the research and testing which has been in progress for many years be continued.

Of extreme importance is the complete flexibility of this paint-mixing facility. Production of urgently needed paint can be started immediately on receipt of even a dispatch order, with no lead time as commonly required in commercial practice for special type paint.

The Mare Island paint-mixing facility now employs only approximately 50 people, and specializes in this special antifouling and anticorrosion bottom paints and vinyl system paints specifically designed for the Navy's own use. The continuation of this specialized operation certainly can have no great adverse impact on our country's huge paint industry, and yet could have a most unfortunate result on our readiness for the expansion of production of this most essential naval paint in time of war.

In view of these facts, I should like to recommend strongly that the House Appropriations Committee disapprove the proposed closing of this paint-mixing facility. I believe this closing would be a false economy and a definite disadvantage to the Nation's defense.

### Federal Aid to Education

#### EXTENSION OF REMARKS OF

**HON. JOSEPH F. HOLT**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. HOLT. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

Congressman JOE HOLT, Republican, from California, author of the legislation which created the White House Conference on Education, today issued the following statement: "President Eisenhower's special message on education fulfills his promise to the White House Conference on Education to give careful consideration to their findings. In almost every instance, his school-construction proposals jibe with the White House Conference recommendations.

"Those who charged that the White House Conference on Education was an administration device for avoiding action have been proven wrong. President Eisenhower has translated the will of the people into a positive, sound program of action.

"The President's school-construction proposals embodies the following principles expressed by the White House Conference on Education:

"1. Federal aid 'Should be granted only on the basis of demonstrated needs.'

"2. 'Federal aid should never be permitted to become a deterrent to State and local initiative in education.'

"3. 'State aid should be increased.'

"4. 'The administration of Federal funds should be through the appropriate State agencies for education.'

"5. 'These State agencies should determine the relative needs of local school districts.'

"6. 'There should be no Federal control or educational use of funds in local school districts.'

"7. 'All States and Territories and the District of Columbia should be eligible.'

"The President's recommendations provides the foundation for much sounder and safer education legislation than the Kelley bill, now before the Rules Committee.

"The need for Federal aid to education, State by State, has not yet been proven to me personally, either by the hearings held before our committee or by the newspaper and oral reports I have heard on the results of the White House Conference on Education. For that reason I have requested the chairman of the Education and Labor Committee to have the officials in charge of the White House conference come before the full committee and give a report on the manner in which the conference was held, delegates selected, the results, and how they were reached.

"As a Representative in Congress from the State of California, there is doubt in my mind whether any Federal-aid legislation will be proven beneficial to our community and State in the long run. We are doing a very good job of solving our own problems. The amount of effort being put forth by other States and the taxes their people are paying for their schools in comparison to the high taxes our people pay for schools must be taken into consideration before any definite conclusions are reached."

### Rural Mail Delivery

#### EXTENSION OF REMARKS

OF

**HON. JACKSON E. BETTS**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. BETTS. Mr. Speaker, on February 7, 1955, I introduced a bill, H. R. 3655, which would extend rural mail delivery to the homes of all persons living on improved highways. Since then I have noted interest in this problem on the part of various farm organizations. At its national convention in Chicago in December 1955 the American Farm Bureau Federation included extension of rural mail delivery among its resolutions. The following was taken from the American Farm Bureau Official News Letter of December 19, 1955:

Rural mail delivery should be made available to every accessible farmstead. We urge that legislation be enacted or administrative action taken to accomplish this. This may necessitate consolidation, extension, or relocation of routes. In some instances it may be advisable to eliminate post offices and replace them with rural routes. It is apparent that many of these changes will come more quickly if rural people take an interest in this problem in their own communities.

The Ohio Farm Bureau endorsed the same policy at its convention in Columbus in November 1955. The following resolution, as adopted by their organization, appeared in the Ohio Farm Bureau News of January 1956:

#### RURAL POSTAL SERVICE

We insist that rural mail delivery be made available to every farm home on a passable highway. Since direct-to-farm rural mail service is vital to every farm family, we recommend that county farm bureaus give such assistance to farm families as is necessary to bring their problems to the attention of proper postal authorities.

Mr. Speaker, it is my hope that such actions as these will stimulate interest in H. R. 3655.

### Federal Aid to Education

#### EXTENSION OF REMARKS

OF

**HON. NOAH M. MASON**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. MASON. Mr. Speaker, the crux of the recent White House Conference on Education was whether or not the Federal Government should grant more Federal Aid to public education. The central question of all the discussions was, "Shall or shall not the Federal Government launch out on a broader basis than at present in giving Federal Aid to schools?"

One of the pertinent factors in the problem of Federal Aid is the way Federal Aid is being distributed to the schools at the present time. Federal grants-in-aid to schools today are distributed not on the basis of need, not even on the basis of the average pupil daily attendance, as one would expect. It is distributed today in direct contradiction to these three basic criteria.

For example, Federal grants-in-aid to schools during the fiscal year 1954 shows the following inconsistencies:

State	Rank according to State effort	Number of pupils enrolled	Federal grants-in-aid	Average grant per pupil
West Virginia.....	17	448,280	544,963	1.21
Nevada.....	39	42,187	1,664,385	39.45
Virginia.....	28	702,671	14,950,285	21.27
Mississippi.....	16	540,157	2,551,600	4.73
Illinois.....	43	1,490,000	4,170,345	2.79
Wisconsin.....	35	561,000	1,150,359	2.05
Washington.....	23	490,184	8,522,481	17.39
Wyoming.....	1	63,837	1,257,060	19.69
New Mexico.....	2	187,480	5,003,917	26.68
Kansas.....	20	386,915	5,498,760	14.21

Mr. Speaker, anyone can readily see from the above table that there is little rhyme or reason in the present method of granting aid. For instance, Nevada, a State that stands high on the basis of per capita income and ability to finance her own schools, stands 39th in her effort to support her schools, yet she receives \$39.45 per pupil Federal aid; while West Virginia, a State that stands quite low on the basis of per capita income and ability to finance her schools—her coal

mines, potteries, and glass factories being very hard hit—although she ranks high in effort, receives only \$1.21 per pupil in Federal aid. Wyoming, the State that ranks No. 1 in her effort to support her schools, gets less than half the aid given Nevada, the State ranking 39th in effort. If this is a sample of the way Federal aid to education is being distributed today, do we want to extend these basic inequities? What guaranty will there be that the present inequitable method of distribution will be improved or corrected?

Mr. Speaker, three other real factors enter into the problem of extending Federal aid to schools, if Federal aid is for the purpose of equalizing educational opportunities between the States as claimed by its advocates:

First. The problem of segregation in the schools of the South. Will Federal aid accentuate this problem or diminish it?

Second. The problem of Federal aid for our parochial schools. Will Federal aid to education be provided for parochial schools in order to create equal educational opportunities? If not, why not?

Third. The problem of Federal supervision and Federal control of schools that are subsidized by Federal taxes. Federal supervision and control always accompany Federal aid. The present United States Commissioner of Education has said:

If Federal aid is to bring about better schools, it seems apparent that there must be some Federal control.

Mr. Speaker, Federal aid to equalize educational opportunities is not as simple as it appears on the surface. It is both complicated and controversial. Cautious exploration and consideration are required before a proper solution can be found under our Constitution.

I have been, and still am—because of the above reasons—opposed to Federal aid for schools.

**The Polish Daily News of Detroit, Mich.**

EXTENSION OF REMARKS  
OF

**HON. JOHN LESINSKI, JR.**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. LESINSKI. Mr. Speaker, one of the most familiar objects in the majority of American homes today is a newspaper, either one from the hometown or one from the local area in which one lives. Without a morning or evening paper a family would be lost for complete news of the world or the locality. And in these days it is important that we, as citizens of the greatest nation in the world, keep informed about world and local happenings. I realize, of course, that radio and TV provide a source of news, but this is more or less of an outline coverage. We must depend on newspapers for the more complete details of current events and also for

some of the news that is not deemed of sufficient importance to be included in a news broadcast over radio or TV. I believe we are all the more impressed with the part a newspaper plays in our daily lives when suddenly we have no local paper to read.

The majority of the people of Detroit and the vicinity have almost found themselves in such a situation. For over 42 days, since December 1, 1955, the three major newspapers serving the Detroit area, the morning Free Press and the afternoon News and Times have not been issued because of a strike. However, because of the ingenuity of one of the smaller local newspapers, the citizens of the area are still being served. Within 24 hours after the announcement of the strike of the workers on the major dailies in Detroit, the Dziennik Polski, the Polish Daily News, started printing a limited edition in English. Ordinarily, the paper is printed in the Polish language, as it has been since 1904, to serve the Americans of Polish descent. In its English edition, it carries stories of local and national importance and includes a sports page and the radio and TV programs, as well as some advertisements and the funnies.

I want to take this occasion to commend the publisher of the Polish Daily News, Stephanie Januszewski, and her staff for the wonderful public service they are rendering to the people of their community. They are doing a magnificent job in this emergency. They have stepped up at a time of need, as is characteristic of Americans of Polish descent, to lend a helping hand to their fellow citizens. The publisher and staff of the Polish Daily News can, I am sure, take justifiable pride in their accomplishments. I am sure that the people of Detroit are most grateful to them for their efforts.

**An Answer to the Unsubstantiated Charge of Giveaway of Our Natural Resources Levied Against the Eisenhower Administration**

EXTENSION OF REMARKS  
OF

**HON. JAMES E. VAN ZANDT**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. VAN ZANDT. Mr. Speaker, in the interest of the traditional American spirit of justice and fair play I have been greatly disturbed over the unsubstantiated charges of giveaway that are being frequently and recklessly hurled about our natural resources. These politically inspired charges are directed at the record of the Eisenhower administration and as a result of my inquiries I am pleased to furnish the "answer" which in my opinion will permit any fair-minded American to point with pride to the record of the Eisenhower administration in strengthening and advancing the cause of resource conservation. Here is what the record of the

Eisenhower administration actually shows:

National park system: the national park system today is larger, more adequately staffed and more efficiently administered than it ever has been. In 1953, the year this administration entered office, 65,000 acres were added to our national park system. The boundaries of the Everglades National Park were extended to take in an additional 271,000 acres. Last year 40,400 acres were acquired. In the first 9 months of 1955, 29,560 acres were added to the park system.

Two new and historically important areas were added to the system with the establishment of Fort Vancouver National Monument in 1954 and Cumberland Gap National Historical Park in 1955. Establishment of Fort Union National Memorial in New Mexico was authorized last year and the National Park Service now is in the process of acquiring necessary lands. The West Virginia portion of the Harpers Ferry National Monument has been accepted for administration pending formal establishment of the area upon tender of the Maryland portion.

Establishment of the City of Refuge National Historical Park, in Hawaii, was authorized in legislation approved by the President in July 1955, and the Department of the Interior has recommended that the Congress authorize establishment of a Virgin Islands National Park. Moreover, the Department has signified its willingness to designate Chimney Rock, Nebr., and Promontory Point, Utah, as national historic sites in non-Federal ownership.

Important progress has been made toward fulfillment of the Cape Hatteras National Seashore Recreation Area project and all but 5,000 of the 28,500 acres within the project boundaries have been acquired. Negotiations for the majority of tracts needed for the Independence National Historical Park are in their final stages.

The integrity of the national park system has been maintained under this administration. Not only have park boundaries been protected and extended but vigorous support has been given the National Park Service in resisting developments which would unjustifiably intrude upon the natural beauty of park areas. Among such proposals which the administration rejected were:

An effort to obtain authority to construct a dam at Glacier View which, if built, would flood 20,000 acres of Glacier National Park. Rejected.

Efforts to obtain permits for construction of tramways at Mount Rainier National Park, Rocky Mountain National Park, Crater Lake National Park, and Grand Canyon National Park. Rejected.

Efforts to modify the newly extended boundaries of Olympic National Park. Rejected.

Efforts to construct a TV transmission tower in Scotts Bluff National Monument. Rejected.

Efforts to open Joshua Tree National Monument to mineral prospecting and mining, or to abolish it altogether. Rejected.

Protection of Joshua Tree National Monument was strengthened when 10,000 acres inside the monument boundaries were acquired in exchange for 10,000 acres of federally owned grazing land outside the park.

One of the first acts of this administration was to reverse the unfortunate 15-year cycle of neglect of our parks which was touched off by World War II and prolonged by the Korean conflict. An administration program calling for substantial increases in parks appropriations has been approved by the Congress.

In January 1953 the National Park Service was operating under a fiscal-year budget of \$33,162,330.

For the current fiscal year the park budget is \$45,029,300—an increase of some 40 percent.

The new budget provides for 4,650 man-years employment in the parks system, an increase of 25 percent over the man years provided in the 1952-53 budget. One result has been to raise the park ranger force to its greatest strength in history.

Increased appropriations have enabled the National Park Service to make a good start on reducing the accumulated backlog of uncompleted and projected projects for road and trail construction and improvement of public facilities and park housing. Working cooperatively, the Park Service and concession operators have made great strides in development of a more realistic program for the modernization of privately operated facilities in the parks. For instance, in Grand Teton National Park, where travel has increased more than 500 percent over 1946, public use facilities are being developed in a program calling for an investment of more than \$5 million in private capital; a building and expansion program under way at Grand Canyon National Park calls for expenditure of about \$1 million by the concessioner; and similar forward looking programs are either under way or contemplated in other areas.

Gratifying progress is being made in the task of catching up with the demands being made upon the parks today. But that is not enough. The increasing number of visitors to national park areas—21 million in 1946—about 50 million in 1955—demands action on a dynamic program which will place the Park Service in a position to cope with an expected visitor load of 80 million a decade hence.

Such a program is now being formulated by the National Park Service. Its preparation already has revitalized the Service. Called Mission 66, its objective is to fully equip the national park system to carry out its basic purposes by 1966, the 50th anniversary of the Service.

It is the sincere belief that Mission 66 will prove to be the finest contribution to our national parks since the Service was established as a Bureau of the Department of the Interior in 1916.

**Sport fishing:** Funds for financing the program of Federal aid to the States for fish restoration have been available at record levels under the Eisenhower administration. Under this nationwide program significant progress has been made in Pennsylvania.

The Pennsylvania Fish Commission has emphasized the creation and purchase of public fishing waters. Federal funds have been used to defray 75 percent of the cost of the following projects:

Project:	Cost
Somerset Lake and Dam.....	\$127, 042
Glade Run Lake and Dam.....	66, 647
Glade Run Lake and Dam site (Butler County).....	21, 614
Ice Dale Lake (Chester County).....	21, 000
Virgin Run Dam and Lake (Fayette County).....	68, 166
Somerset Lake site (Somerset County).....	75, 682
Total.....	380, 151

In addition to the foregoing, project plans have been approved for 2 additional projects, which, when completed, will cost an additional \$66,300, as follows:

Goldsboro Lake (Wayne and Monroe Counties).....	\$30, 000
Lower Woods Pond (Wayne County).....	36, 300
Total.....	66, 300

When completed, the work which has been approved to date will have added materially to the recreational opportunities available to Pennsylvania's anglers.

The Fish and Wildlife Service is conducting a nationwide survey to determine the amount of money and time spent annually by American sportsmen afield and on the water. This survey is being undertaken to determine what help the sportsman needs in the form of legislation. It is hoped by this survey to make the public better aware of the sizable contribution of sportsmen to our national income so that greater attention might be focused on their needs.

**Wildlife protection:** False rumors of a giveaway of wildlife refuges and a land grab of refuge areas by the military have caused sincere conservationists much undue concern. Again, let us examine such rumors in the light of hard facts on the public records.

Not one acre of wildlife refuge area under the primary jurisdiction of the Fish and Wildlife Service has been transferred to the military since the Eisenhower administration took office.

Since January 1953 the Department of the Interior has established 8 new wildlife refuges and 3 more are in the process of being established. During that period the Department acquired 79,946 additional acres for wildlife preservation through purchase, lease, or transfer of federally owned lands.

Under the Eisenhower administration Federal wildlife refuges have been established for the first time in Kansas and Colorado and new lands have been added to the Federal refuge program in Louisiana, North Dakota, Kentucky, Tennessee, South Carolina, Texas, Washington, Florida, Maine, Oregon, Idaho, Michigan, and New York.

During the fiscal year ending June 30, 1955, wildlife refuges received the largest allocation ever made for acquisition, development, and maintenance. This totaled \$6,614,200 and was \$2 million more than the refuges had been allocated in the annual budget when this administration assumed office.

It is gratifying to know that during the fiscal year ending June 30, 1955, the Migratory Bird Conservation Commission approved purchase of 30,189 acres of refuge lands at a cost of some \$645,000—the largest expenditure of duck-stamp funds for refuge acquisition since 1945.

In administration of a national wildlife-refuge program that has been carried out over a period of 52 years, it must be expected that some refuge areas would outlive their usefulness, especially where they were established to meet temporary emergencies until more efficient areas could be acquired.

In the 6 years preceding the Eisenhower administration, for instance, 36 wildlife refuges were abolished. The total Federal wildlife reserves were reduced by 408,527 acres.

The Eisenhower administration has dropped 7 refuges totaling 6,226 acres, made up of small units of low productivity, where administrative costs were not justified.

Secondary use for wildlife of the 56,954-acre Fort Keogh Refuge in Montana, administered by the Department of Agriculture, was relinquished by the Fish and Wildlife Service because of administrative duplication and limited wildlife values. Wildlife potentials of this area will continue to be maintained by the Department of Agriculture.

The Eisenhower administration has not and will not voluntarily surrender any refuge of proven value to wildlife as long as it continues to meet wildlife conservation needs. Wildlife refuges, as well as national parks and forests, are regarded by the administration as irreplaceable national assets whose value is clearly established.

A refuge of proven value is the Wichita Mountains National Wildlife Refuge. Currently, the Department of the Interior is negotiating with the Department of the Army in an effort to maintain the refuge boundaries intact. In 1953, the Department of the Interior, of which the Fish and Wildlife Service is a part, made known its strong opposition to any reduction in the size of the Wichita refuge, and Secretary McKay has reiterated this position.

In the last session of Congress, legislation was enacted authorizing the expansion of Fort Sill, which adjoins the Wichita refuge. The Army's plans, as outlined before congressional committees, called for the acquisition of some 20,000 acres of privately owned lands and the transfer of some 10,700 acres of the Wichita refuge.

The Fish and Wildlife Service has proposed an alternative plan under which the refuge boundaries would remain intact while the Army would be permitted to set up areas within the refuge from which projectiles could be fired to land on target areas within the military reservation.

The Military Establishments have been cooperative in allowing large areas over which they hold primary jurisdiction to be used as wildlife refuges. It is the hope that a mutually satisfactory solution of the problem at Wichita can be found.

In this connection, a significant agreement between the Fish and Wildlife Service and the Corps of Engineers was completed in August 1954. Under this plan, the transfer of wildlife lands to the Service and to the State conservation departments has been expedited. The Service now assists the Corps of Engineers in conducting hearings at which there is full public consideration of the importance of integrating fish and wildlife protection measures into planning for flood control and navigation developments.

The national wildlife refuges, under the programs of this administration, are contributing importantly to the Nation's recreational needs without interfering with the paramount conservation objectives for which the refuges were established. Last year over 5,200,000 persons visited the refuge areas, an increase of more than 11 percent over the 1953 record of visitors.

**Public lands and forests:** One of the most important conservation measures in many years—Public Law 167—was signed by President Eisenhower on July 23, 1955.

A major provision of this law gives the Department of the Interior authority to control surface resources on mining claims. This is a conservation tool for which the administration worked ever since taking office.

Another major provision removed commonly occurring minerals such as sand, gravel, and cinders from the general mining laws and placed them under jurisdiction of the Materials Act of 1947.

Now, at long last, the Government has authority to end many of the abuses which had developed over the years under the old mining laws. Prior to enactment of Public Law 167, location of a mining claim conferred upon the locator rights of exclusive possession of the surface. It was possible to establish claims for low-value minerals and acquire far more valuable surface resources, such as rich timber stands, or a summer home or business site, or a water hole on grazing land. Many such claims were established in our national forests and under the law the Government was required to honor them.

The Government now has the authority, prior to issuance of a patent on a mining claim, to manage the surface resources of the claim. This includes, of course, the cutting and sale of timber, grazing of livestock, and use of the surface of the claim for access to adjacent lands.

Important measures for the conservation of the open public rangelands of the West have been taken by the Eisenhower administration. The Department of the Interior's new 20-year program for soil and moisture conservation is but one of the progressive steps that have been taken to conserve our important natural resources. Under this program, the Federal range is being reseeded and effective measures are being taken to halt heretofore unchecked erosion of the soil.

Good conservation calls for wise use without abuse of the vast expanses of public domain land beyond the boundaries of national park and wildlife

refuge areas. Many citizens do not realize that the Federal Government still retains control of about 1 out of every 4 acres in the United States. As our population expands, so do public demands for use of undeveloped Federal acres. A number of laws provide that public domain lands must be transferred to private ownership when all requirements of those laws are met. The Department of the Interior has the responsibility of so classifying the vacant public land that it is put to its highest use possible under the law. Often when the administration complies with the law—and I am sure that no citizen would want it to do otherwise—the cry of giveaway is raised in some political quarters. It is significant that not one allegation of giveaway has been, or can be, substantiated.

**Water resources:** Regarding the problem of water as a diminishing resource, the Eisenhower administration has also been moving forward on that front. Realizing the importance of the Nation's water resources and that the conservation and use which we make of them may in large measure determine our future progress, President Eisenhower last year established a Presidential Advisory Committee on Water Resources Policy.

The President realized that policies in this field have been modified repeatedly and that unfortunately the Government has often relied on piecemeal or stop-gap measures. Accordingly, he charged the committee with the task of undertaking a comprehensive review looking toward strengthening and modernizing Federal policies and programs in the field of water resources.

The Presidential Advisory Committee's report is now nearing completion and will provide the administration with a sound basis on which to make recommendations for the solution of these tremendously important and complicated problems.

In conclusion this report of progress will do much to convince the American people that the Republican administration is faithfully exercising its stewardship of the Nation's natural resources. Our record is indeed creditable and it is up to us to bring it to the attention of the people thus revealing that the charges of giveaway are wholly unsubstantiated.

**Address by Hon. Herbert H. Lehman, of New York, at Civil Rights Rally of the Conference on Civil Rights**

EXTENSION OF REMARKS  
OF

**HON. HERBERT H. LEHMAN**

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of remarks I made at a civil rights rally held at the Manhattan Center, in New York City, on Thursday, December 15, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is my pleasure and privilege to be here tonight at this rally sponsored by the Leadership Conference on Civil Rights, in a cause to which I am committed with all my heart.

I began fighting for Federal civil rights legislation 7 years ago, as soon as I became a Member of the Senate. Your organization, the Leadership Conference on Civil Rights, was brought into being at about the same time. Our efforts, mine in the Senate, and yours, within the framework of this Leadership Conference, have been both contemporaneous and collaborative.

In these 7 years, marked progress has been made toward the goal of equal human rights for all our citizens. Indeed, we have moved steadily forward during the past 30 years.

One redoubt after another has been captured in the assault against the destructive institutions of discrimination and segregation. One area of activity after another has been liberated, or partly so, from these degrading practices. This progress has been made, and continues to be made, as a result of action by State and local law-making bodies, administrative agencies and officials, and by the courts of the land.

This progress has been made possible—indeed it has been forced—by the militancy of the groups you represent, armed with the massive support of public opinion. And to you, and the groups you represent, will belong an important share of the credit for the future progress that will and must be made.

But in giving credit, let us not forget to name one individual—one very dear to me, and to many of you—the founding and driving spirit of the Leadership Conference from its inception until his untimely death—a rare spirit with a dream in his heart and unquenchable courage in his soul—the late, beloved Walter White.

Yes, there has been progress. But the distance left to go is farther—much farther—than that which we have already come.

I believe, with all my heart, that the fight for equal human rights must be pressed, in full vigor, and at all levels—in the executive branch of Government, in the courts, and in every law-making body throughout the land. And I mean to include not only the State legislatures, the city councils, and the school boards, but also, and even primarily, the Congress of the United States.

I believe that the whole struggle for civil rights—for equal treatment under law and equal opportunity for every man, woman, and child, regardless of race, creed, or national origin—must be carried forward relentlessly and tirelessly until victory is won. There must be no delay in this struggle for reasons of political expediency—or any other.

The demand by one-eighth of our population for the full minimum rights of citizenship—and for all the protections which our Constitution affords to each and all—cannot be postponed, denied, or repressed.

The electric shock which passed through a major section of our people as a result of the shameful murder of Emmet Till and the acquittal of his assailants has given new meaning to the demand for equal justice under law for every American.

We must and will demand action in the months ahead, including, as I have said, in the Congress of the United States. That is my forum of action—the Senate. I pledge you my efforts, for what they are worth, up and down the line, on this front.

I have referred to the progress that has been made in the past. Congress has played a role in this progress. Its role has been to supply pressure and to exert, through the threat of national FEP legislation, for instance, a strong impetus for action at other levels and on other fronts.

But it is an astounding fact that Congress has not passed one single piece of major civil rights legislation—not one—not only in the last 30 years, but in the last 78 years. Think of that.

You all know the reason for that—the filibuster, and the threat of the filibuster—in the Senate.

That weapon is still available to those who desperately oppose civil rights legislation.

The only cure for the filibuster is a change in the rules of the Senate—an antifilibuster or cloture rule—a change in rule 22. For the past 5 years we have concentrated on getting such a change in the rules—but, thus far, in vain.

There wasn't much of an effort last year, in the first session of the Congress. I doubt whether there will be much more of an effort in the next session.

I hope that in 1956 a Congress will be elected which will make such an effort, and succeed. But that is up to you and to all the voters of the United States. The civil-rights issue must be framed in 1956, and the voters must give a clear mandate for action by the Senate on, among other things, its own rules of procedure. If such a mandate is given, an effective antifilibuster cloture rule can and will be adopted.

But I want to say a few words about the session of Congress that will meet, not in 1957, but next year—in fact, in about 3 weeks from tonight.

A great number of civil rights bills were introduced in the first session of this Congress which ended last August. These bills are pigeonholed in committee. With some exceptions and modifications, these are the same civil rights bills which have been before the Congress for a number of years. Included among them are FEP bills, anti-poll tax bills, and antilynch bills.

I doubt if any substantial legislation on these subjects will get very far, or even be given much genuine consideration. I hope that my prediction will turn out to be wrong; I will do my best to prove it wrong, but I'm afraid it is going to be sadly right.

There are, however, some less controversial civil rights measures which might be favorably acted on. One is a bill I have introduced to make it a Federal offense for a civilian or group of civilians to attack or assault a GI while on duty. This is a common occurrence in some parts of our country, especially if the GI is of a minority race or national origin. Local sheriffs and police officers are frequent offenders in this regard, and the bill I have introduced would provide GIs with the protection of Federal law. There is some prospect that such a bill might pass since the Defense Department has been in favor of it.

A second measure which might pass is a constitutional amendment prohibiting poll taxes. The majority leader of the Senate, Senator LYNDON JOHNSON, has announced that he will use his influence in behalf of such a measure.

With his support, and that of the majority policy committee, such a constitutional amendment might well pass the Senate, and the House, too. Such an amendment would then require the approval of the legislatures of 36 of the 48 States of the Union. Whether ratification by such an overwhelming number of State legislatures is practically possible, I do not know. It would, of course, be much easier for Congress to pass a simple law outlawing the poll tax. I, myself, would prefer such a course of action, but there is not much chance of that in this session.

But even approval of a constitutional amendment would represent some action on this front by the Congress. As such, I will vote for such a constitutional amendment, if it is, in fact, brought up for a vote. But let me make myself clear.

I am not going to be content—and I don't think you are going to be content—with

congressional action on a constitutional poll-tax amendment if such action is offered in satisfaction of our demands for substantial and significant civil-rights legislation.

The time has come for Congress to take some real action on civil-rights legislation, and this Congress, at this forthcoming session beginning in January, is going to be faced, whether some like it or not, with some meaningful honest-to-goodness civil-rights issues.

There is going to be a demand, I am sure, for a strengthening of the civil-rights section of the Justice Department, so that there can be no doubt of the right of the Federal Government to act in such cases as the Emmet Till tragedy.

I favor such legislation, and am a sponsor of a bill to this effect.

There is also the matter of an antisegregation amendment to the school-construction bill.

There are pending in Congress several measures for Federal grants of money to the States to help build more public schools. There is nationwide support for this legislation. We are, indeed, in critical need of more and better public schools for our children.

I strongly favor this legislation, in the version proposed by Senator HILL.

Yes; I favor the principle of Federal aid to help build more and better schools for all our children. But it seems almost elementary to me that for the very purpose of improving and expanding our public-school facilities, it is essential to carry out the decision and decrees of the Supreme Court with regard to school segregation.

The question is: Shall we distribute tax money, raised by taxation of all the people, to States which are trying to avoid, evade, and defy the Supreme Court decree? Shall we help some States and school districts perpetuate segregation and defy the law of the land? Shall we in Congress say that school segregation is not our concern but only the business of the courts? Shall we in Congress stand above the battle and let the issue be fought out exclusively in the courts?

To these questions, I, personally, answer with all the fervor at my command, "No."

I am going to propose an antisegregation amendment to the Federal school construction bill, even if I am the only one in the Senate to support it. I shall offer such an amendment, although I reserve decision as to the time and place for offering this amendment, whether in committee or on the floor of the Senate. And I shall fight for it, with all the strength I have.

But believing with equal fervor in the cause of Federal aid to education, I shall vote for and support a Federal aid to education bill, even if, despite my efforts, the anti-segregation amendment is defeated. I want to be frank with you about that.

Now I said a few moments ago that the kind of Congress that is elected in 1956 will determine the kind of action that is to be expected on major civil rights legislation in the Congress that convenes in January, 1957. And I indicated that the voters and citizens have it in their power to determine the kind of Congress that is elected and the kind of mandate that is given to that Congress.

But I am well aware that in some parts of our country there are large groups of potential voters who are denied the right to register and vote—not by the poll tax, but by naked intimidation—moral, physical or economic.

Among the areas in which this is true are some in the North, but mostly in the South.

This is not democracy. It is a subversion of democracy.

I propose that we remedy this situation. I propose that we establish Federal machinery to insure to every citizen protection against intimidation, direct or indirect, physical or moral, in exercising his constitu-

tional right of voting and participating in the political life of community, State, and Nation.

I propose that a Federal electoral commission with enforcement powers be established for this purpose. I am going to introduce legislation to accomplish this purpose. I have been working on a draft bill. As soon as I perfect it, I am going to introduce it. I don't know how far it will get in the coming session, but such a bill must be passed eventually. I commend this measure to you. I hope that the organizations represented here tonight will consider such a proposal worthy of support.

My friends, I have not given you an optimistic report on the prospects of major legislative action on civil rights in the coming session of Congress. But I have not meant to be discouraging, only realistic. I offer no counsel of despair, but I believe we should see the situation for what it is and commit our forces and energies accordingly.

Speaking for myself, I believe the struggle has got to be waged—not sometime in the distant future, but next year, now, beginning tonight. I believe, and strongly feel, that we need to offer full-scale battle in this good cause, no matter how great the odds, nor how bleak the prospect.

The greater the difficulty, the greater the challenge. Let us hereby resolve with sober and measured determination, that we will not give up, nor diminish our effort, nor lose hope, nor surrender—until victory is ours.

In these efforts, we know we are on the side of right. We know that we are animated by high moral purpose. We know that much of the world watches what we do, and measures our country by the dedication we show in this cause. Let us not flag nor fail.

### Address Delivered by Hon. Barry Goldwater, of Arizona, Before the American Mining Congress

#### EXTENSION OF REMARKS

OF

### HON. BARRY M. GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered before the American Mining Congress convention, at Las Vegas, Nev., on October 10, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Gentlemen, it's a privilege and a pleasure for me to be here, and to have this opportunity of discussing with you the problem of public relations.

I must admit when I received your gracious invitation, my immediate reaction was: "Who, me?"

This is an opportunity I cherish and shall try to deal with honestly and objectively.

I am not an expert at public relations. There is an old definition that an expert is someone who knows more and more about less and less. But I have lived all my life in a State where mining is a basic industry. During my boyhood, mining was the major source of income. Every student of American history knows that gold and silver and copper built and populated the West.

I am reminded of the experience of a friend of mine who, while driving to work one Friday morning realized he had a scratchy throat. He decided to stop by his

doctor's office and get a shot of a new antibiotic and insure his ability to enjoy the upcoming weekend.

In the doctor's waiting room he said to the receptionist: "I'd like to see Joe for just a minute. He knows me and \* \* \* well \* \* \* I'm not very sick. I'd just like to see him for a minute or two if I may."

The receptionist demanded to know his name and all the items they put on the case history sheet.

My friend reluctantly complied with her request. Then she ushered him into a small waiting room. A moment later a nurse came in, told him to stand on the scales, jabbed a thermometer in his mouth, and made her notations on the chart.

When my friend could speak again, he said, "Look, I'm not sick. There is really nothing wrong with me. I know Joe, he knows me, and I just want to see him for a minute. Well, to tell the truth, I have a little scratchy throat and I just want a shot of penicillin or some aureomycin or one of those things to keep me in shape for my golf game tomorrow."

The nurse nodded and ushered him into a second room, and after 4 or 5 minutes a second nurse came in bearing one of those ridiculous little smocks they sometimes give you in a doctor's office.

"Hang your clothes in the closet and put this on," she said and ducked out the door before my friend could object.

He stared at the smock and he stared at the closet and he stared at the door and, finally, he surrendered. He hung his clothes in the closet and put on the smock and stood there feeling quite naked and inadequate.

The nurse returned and ushered him into a third waiting room. Here he found three other men attired in the same smocks. After a moment or two my friend said, "Look, fellows, I'm not really sick. I \* \* \* I shouldn't be here. I \* \* \* I'm kind of embarrassed to be here with you."

Over in the corner of the room a little fellow looked at him, grinned, and said, "You're embarrassed! I just came in to deliver a telegram."

May we consider that I am here to deliver a telegram, a message from one concerned individual to a group of industrial leaders who are also concerned.

This concern of ours must not stop within the limits of our own particular industry or our own job or our own State. You and I are involved in a process far bigger than mining or department stores or politics or the United States Senate. We are involved in the destiny of man, and man is more than just an economic unit or a physical unit or a political unit. Man is also a spiritual entity, destined by Almighty God to enjoy the blessings and the responsibilities of economic, physical, political, and spiritual freedom.

If we are to approach the problem of public relations with any chance of finding a successful solution, we must begin with a clear and basic concept of man.

Public relations is one of those \$64 phrases developed by professionals to confuse the layman.

Public relations is not radio or television or newspaper editorials or newspaper news stories or newspaper advertising. Public relations is not gifts to the Community Chest or to the boys club or scholarships to the university. Public relations is not putting a key man from your industry in every service club, or making sure that your men control the board of directors of the chamber of commerce.

Public relations is a person to person acceptance.

And acceptance exists only where there is mutual understanding, mutual respect, and mutual confidence.

Radio, TV, newspapers, service clubs, community organizations, are the tools available with which you can do this job, but they aren't to be used as weapons to force your opinions down someone else's throat.

Every man in this room knows a great deal more than I know about the basic contributions your mining industry has made to the political, economic, social, moral, and cultural development of our society. And I suspect most of you are more keenly aware of the failures of your industry.

For more than 20 years during the great experiment of the New Deal and the Fair Deal, big business was used as a whipping boy by the demagogues and the opportunists.

Following the great depression and under the pressure of political, economic and social change, there was and continues to be a planned program designed to divert the attention of the average American citizen away from the goals and objectives of those men of vision who "dedicated their lives, their properties, and their sacred honor" to the creation of this Republic, and away from the concept of a free society where all men should stand equal, where all men should be free.

Many of these advocates of security from womb to tomb are well motivated individuals, men and women who, recognizing the imperfections in our economy and our society, are attempting to do something about it. And there is little to be gained by dismissing their activities with harsh names and anger.

As you and I grow older we resist change. We cling firmly to the practices of the past. We are inherently suspicious of innovation. Yet in business we constantly contradict ourselves by adopting new production practices, new processes which were completely visionary just a few years ago.

May I suggest that if and when this attitude of eagerness to learn, this willingness to listen, inspect and consider is applied to the problem of public relations, true progress will commence.

Acceptance is a two way street, and when a business or an industry becomes big and important and successful by following a prescribed program, it is dangerously easy for that business or industry to forget to listen. And when we forget to listen we build a wall around ourselves.

If we want the general public, and this includes our employees, our customers, and our stockholders, to listen to us and to respect our problems, we must break down and destroy every barrier which serves to separate us from them and their problems.

A great many men with more background and more qualifications than I offer you have devoted time and effort to an examination of this problem which confronts us. Immediately upon accepting your invitation to appear here, I directed my Washington staff to make a study of public relations in the mining industry. That study lasted the better part of 4 months and produced a lot of encouraging and inspiring information.

The editorial staff of Fortune magazine addressed itself to this problem. In September 1950, Fortune stated bluntly that American industry was failing to sell free enterprise and to be intelligently and consistently concerned that free enterprise be forever accepted as the only system under which the people of this Republic can prosper.

Fortune said the root of the trouble was a lack of the feeling of participation and the need for self-expression both on the part of the worker and of management.

If you will forgive me, I should like to quarrel with that word "sell" as used by Fortune. It has a connotation which offends me. We think of the supersalesman

as a man who persuades you to buy some article, idea, or process which results primarily in a profit for the salesman.

Successful public relations must produce a profit for all participants. Far too many public-relations programs are little more than high-pressure, selling campaigns. You and I know that unless the product itself justifies the purchase, there will be no repeat orders.

In our survey of public relations in the mining industry, we solicited opinions and information from all the major producers and operators. As might be expected, we found the leaders and the laggards. Many of your companies have instituted complete programs with all the outward trappings and a careful exploitation of all the tools available. But we failed to find a united effort equal to the programs of such comparable industries as the railroads and the oil companies.

Everywhere in our world today there is evidence of a desire for political self-determination, a desire for independence. This trend is partially economic, partially political. It provides good use for a word coined by one of my staff members, *polynomics*, which describes the practical wedding of politics and economics.

You gentlemen are dedicated to free enterprise, to individual opportunity, and to independent action. This is both a political and an economic problem. May I suggest that as free men and women dedicated to the concept of man as a child of God, with an important, individual, immortal soul, it is up to us to preach what we practice as well as to practice what we preach.

In my own State the mining industry has long been interested in politics. And while these political activities may actually be no more than necessary self-protection, the manifest political strength of the industry, coupled with its economic importance, has made it a bigger target for those who preach a planned economic and social state. Because of its size, some of the wildest shots have had a telling effect on some portion of that target.

The mining industry has been politically conscious of taxes for a long time, and necessarily so, because the mining industry pays a substantial portion of the total cost of government in the State in which they operate.

It is quite natural that this political interest should have as its first concern the protection of its sponsor. But I have discovered big companies, contrary to popular conception, are not totally selfish and, in many cases, the mining industry has urged and sponsored development of schools, roads, and local governments with full knowledge that a large proportion of the cost of these improvements will be paid by the industry. For sure industry policies government against harebrained fiscal policies which would result in damage not only to industry but to the economy as a whole. Many times a policeman is not very popular, particularly with vociferous self-seeking minorities.

May I suggest there is no reason for American big business, the mining industry or any other facet of our economic life, to be on the defensive just because it is big.

Certainly you are the target for the demagog, the opportunist who seeks to use envy and discouragement to gain his personal objectives.

Let's get off the defense. Let's put in the first team. Let's tell the story of free enterprise and free political government to all the world, and most especially to our own friends and neighbors, our employees and customers and stockholders.

You and I know the American system of free enterprise has created the greatest opportunity for the individual known to history. We know the American free enterprise

has made possible a higher standard of living for the average American than has ever been possible anywhere else on the face of the earth. You and I know the American system of free enterprise is the only social, political, and economic system which can meet the challenge of tomorrow and still preserve the basic freedoms of the individual.

We know that with all the progress and growth of our Nation, there is still room for improvement and that improvement will never come from the social planners who seek to regiment the lives of men.

Let us forget about defending freedom and begin to proclaim freedom.

Mankind was not destined to be called a class, a collective, or a group. And what we seek is a basic person to person understanding and acceptance, and the place to begin is with the individual.

Let's look at this American citizen for a moment, this individual human unit in the multitude of customers, employees, and stockholders we are trying to serve and whose understanding and acceptance we seek.

I promise you this is going to be the most convenient study we have ever undertaken because our subject is here in this room, a fellow who is already pretty well known to us. He is the engineer, he is the office manager, he is the mucker, he is the shift foreman, he is the clerk, he is the office boy.

This fellow is concerned first of all with his own problems. His own wife and his own kids are most important to him. He'd like to have a little better home than mom and dad had. He wants to advance in his work.

This fellow glows with pride when the boss appreciates him. He wants you to accept and respect him, and in turn he will accept and respect you.

Oh, he's cantankerous at times, at times he's lazy. Sometimes he just doesn't have the ability to do the job the way it should be done. Envy and self-pity will give him thinking a quick twist in the wrong direction. He's more apt to be vocal about his dislikes than his likes.

And when he fails at something, he finds it pretty easy to blame the other fellow.

He has lived long enough to discover that life is a pretty grim struggle, but he has been able to conquer some disappointments.

He may not exactly wear a chip on his shoulder, but he is determined that nobody is going to sell him a bill of goods, and when he listens to you, if he does listen to you, you can bet that behind the appearance of outward attentiveness, he is saying to himself, "What's his angle? What does this guy want from me?"

A proper public-relations program must begin at home with your fellow workers, your own employees. Let them have a share in your problems. Let them work with you and not for you. Let them know you on a person-to-person basis, and take the trouble to know them in the same way.

And when they become convinced that you are concerned with their problems, they will, in turn, be concerned with yours.

By all means participate in community projects and undertakings. But do it on an individual, personal basis. Forget the notion that you are to be treated with respect just because you are the representative of the big XYZ company.

Use radio and TV and newspapers, but don't think you can buy understanding or overpower opposition by the size of your ad or the editorial comment of a company-owned newspaper.

Be willing to listen, to accept suggestions, to make changes, to eliminate company practices which make you vulnerable to the sniper.

When the mining industry developed the West, it was necessary for many companies to build company-owned towns, to operate stores, to provide medical dispensaries and hospital services.

We are all familiar with the company town of 50 years ago with its rows of identical houses, the company store where the mining employee was always in debt, the company doctor whose office bore the stamp of socialized impersonal medicine, the frequently well-intentioned paternal policies which provided a lot of the security the social planners think is a new idea today, but at the same time robbed the individual of his feeling of independence and in some instances of his self-respect.

This human being you are dealing with is an independent creature. He wants and deserves to experience the pride of ownership. He may let his house go to rack and ruin but still it's his. He may be unwilling to provide the same standard of medical care offered by the company, but still he wants and deserves the right of independence in his family living.

This man may buy his groceries from a merchant and pay higher prices for an inferior quality, but his wails of complaint will never match his resentment against the company store and the compulsion implied in that feudal arrangement.

You gentlemen represent a fascinating, dynamic industry. Your investments, your technological know-how, and your management skills have materially contributed to man's progress.

You transform unusable raw material from mother nature into items of utility and beauty to satisfy man's longing for a better world. You have a story of romance and ingenuity and devotion unequalled in history. And the 20th century, with our methods of mass communication gives you the opportunity to make all men everywhere partners in your progress. Begin your public relations programs by granting to all men, to the janitor and the boss, to the stockholder and the customer, the respect you would like to receive.

Dedicate yourself to defending the right of every individual to be free, to cherish ambition, to struggle for advancement and to control his own life. Proclaim your devotion to the concept of man as a child of God, endowed by his Creator with freedom of choice. Demonstrate your willingness to accept every individual on a person-to-person basis.

Our world today is joined in mortal combat which can only end in total victory for one side or the other. The issue is simple: Shall men be slaves or free. The basic premise of communism views man as an economic animal, a social animal, and a physical animal incapable of thinking for himself, or exercising independent judgment, of guiding his own destiny.

Every voice in our Nation today which speaks out in favor of the regimentation of men, every political demagogue who denies man the right to think for himself is echoing the thinking of Karl Marx who said: "The democratic concept holds that each man is a sovereign being. This is the illusion, dream and postulate of Christianity."

In this time of peril and crisis let us rededicate our lives, our fortunes, our sacred honor to the perpetuation of the integrity of the individual.

Let us use the skill and the resources and all the technological gains of the 20th century to reaffirm the truth that man's destiny is freedom and that man's obligation is fully expressed in that ancient law:

"Thou shalt love the Lord thy God with all thy heart and with all thy soul and with all thy mind, and thou shalt love thy neighbor as thyself."

I thank you.

## The Communist Conspiracy

### EXTENSION OF REMARKS

OF

## HON. JOSEPH R. McCARTHY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD several addresses I delivered on the subject of the Communist conspiracy.

The first was an address I delivered at the Boston Arena, in Boston, Mass., on October 30, 1955.

The second was an address at the annual fall meeting of Sertoma International, in Chicago, Ill., on December 5, 1955.

The third was an address delivered in Tulsa, Okla., on December 7, 1955.

The final one was an address I broadcast on January 8, 1956.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. JOE McCARTHY, OF WISCONSIN, BOSTON ARENA, BOSTON, MASS., OCTOBER 30, 1955

My fellow Americans, I always like to come to Boston because we don't have to spend our time discussing elementary things. I always feel that Bostonians—unlike some of the people in Washington—have a pretty good understanding of what the Communist fight is all about.

There is no need, for example, to tell a Boston audience that the spirit of Geneva is the spirit of illusion, folly, and appeasement.

In Boston, it is unnecessary to explain that when you propose friendship with tyrants and murderers—however good your intentions—you advance the cause of tyranny and murder.

There is no hesitation in this audience, I am sure, to refer to Communists as the eternal enemies of God and the human race, and to the Soviet Union as an unregenerate international bandit—even though the Paul Hoffmans and the Milton Eisenhowers tell us that the use of such words is a serious breach of coexistence etiquette.

I trust that you good Americans will never lose sight of, or minimize, the central fact of this struggle—namely, that whatever be the current twist of Soviet diplomacy, international communism is irrevocably committed to destroy this Nation and our way of life.

We cannot do business, we can never make friends, with that sort of enemy.

Creating the spirit of Geneva was, of course, a great triumph for Communist diplomacy, and the Kremlin leaders are still exploiting that triumph to the hilt. But we must not suppose the Communists have placed all their bets on their ability to outguess us in the diplomatic chess game. In case they fail to defeat us in this way, they are plotting our military defeat.

It is this aspect of the struggle that I want to discuss with you tonight. Tonight I shall discuss the life-and-death race between the United States and Russia in the intercontinental guided ballistic missile field, and whether at our end of the race we are being sabotaged.

A vital part of the job of destroying us militarily has been assigned to the Soviet Union's undercover agents in this country. The mission of the Soviet fifth column is

twofold: Communist espionage agents are ordered to steal our secrets, and Communist policy-subversion experts are instructed to cause disastrous slow-downs in the development and production of vital military weapons.

We are most familiar with the first type of sabotage—that of stealing our secrets—and most Americans realize how it has jeopardized our national security. We know that had it not been for Communist agents turning over our most valuable secrets to the Soviet Union, the danger to this country today would not be nearly as great as it is. Take, for example, what happened to our atom bomb monopoly.

In the years immediately following World War II—while we had exclusive possession of the atom bomb—it was inconceivable that the Soviet Union would attack the United States. But in 4 short years this magnificent balance of power in our favor evaporated and our own country was in very great peril. And why? Because Klaus Fuchs, the British scientist, and American spies, such as the Rosenbergs, gave the Russians the vital secrets of the atom bomb. The Communists were thus able to produce an atom bomb in 1949, a full 4 years ahead of schedule.

You might think, after the great A-bomb treason, that those who had pooh-poohed the internal Communist threat through the late forties would have learned their lesson. But no: Irresponsible individuals—who pose as intellectuals—started making jokes about hunting Communists in the Bureau of Wildlife and Fisheries, and, at the same time, renewed their smear campaign against those who were trying to tighten up our security system. Those left-wingers are responsible—those scoffing, sneering pseudo-intellectuals, supported by wealthy, tax-exempt anti-Communist organizations such as the Ford Foundation—they are responsible, no less than the Communists themselves, for the fact that many Soviet agents remain unexposed, and to this day have access to our newest military secrets.

According to testimony of former Communist spies, a number of unidentified Communist espionage rings are still operating in the United States Government. Because they are not identified, it is only prudent to assume that Communist agents are gathering information every day about our Military Establishment and sending it to the Soviet Union.

Let me say, in passing, with regard to that fantastic suggestion that we give the Communists blueprints of our Military Establishment, that one likely reason the Communists did not at first accept the plan is that copies of our blueprints are already in Kremlin safes.

But important as it is to protect ourselves against spies, we must not lose sight of the other, and even more important assignment of the Soviet fifth column. If Communists are successful in slowing down the development of new weapons, and the production of already-developed weapons, it won't matter much whether the spies are successful in stealing secrets.

For remember: The Russians have a highly trained scientific establishment of their own, and they employ some of the most efficient methods of mass production. If, through policy sabotage, we are held back in the race to develop and produce a decisive weapon, the Communists can beat us on the strength of their own knowledge and skills.

Today the decisive weapon is the hydrogen bomb; yesterday, it was the atom bomb. Tomorrow—and by tomorrow I mean possibly within the next year—the decisive weapon will be the intercontinental ballistic missile. The race to produce this weapon could well determine the fate of Western civilization. Yet tonight I must report to you that the available evidence is (1) that the Soviet

Union is winning that race, and (2) that it is possible that the Soviet Union is winning the race because well-concealed Communists in the United States Government are putting the brakes on our own guided missile program. The Killian report is to the effect that within a short time the Communists will be ahead in the ICBM race.

The subject of the intercontinental missile race is both interesting and frightening, and I want to discuss it with you in some detail. But first, it would be well to square off to that type of thinking that says it is inconceivable that Communists are in such elevated and strategic positions as to effect slowdowns in our secret-weapons program. Nothing could be more dangerous than to rule out the possibility that Communist agents have infiltrated the uppermost echelons in our Defense Establishment—and nothing demonstrates so well an ignorance of very recent history.

In the fall of 1953, you may remember, I was viciously attacked by the left-wing press for stating that certain highly placed individuals in our Government had deliberately caused a slowdown—and for a while, a complete cessation—of the American hydrogen bomb program. You remember the reaction: "McCarthy makes a wild charge"; "a baseless accusation"; "an unfounded smear," and so on. But the truth was known in high places, and the administration, through fear of exposure, was forced to act.

In a matter of weeks, my charge that a slowdown had occurred was verified and the American people finally learned that the man who was primarily responsible for the slowdown—had paid according to his own admission over \$1,000 per year to Communist causes up until the very week he was asked to participate in our top secret atom bomb development program. This man was J. Robert Oppenheimer.

Oppenheimer persuaded Harry Truman that it was immoral for the United States to develop the hydrogen bomb—when, as an expert in the field, he knew full well that it would only be a matter of time before the Communists had a hydrogen bomb of their own.

I shudder to think what would have happened had Oppenheimer had his way for another 5 years. The Communists would then have had an H-bomb stockpile, before we had produced a single hydrogen bomb—which means that in 1954, or possibly this year, the Communists could have annihilated the United States.

Of course, today J. Robert Oppenheimer, like Alger Hiss and Owen Lattimore before him, is the darling of the leftwing. Books are written about Oppenheimer's persecution. Edward R. Murrow made Oppenheimer the hero of one of his "unbiased objective" television shows. The Ford Foundation's Fund for the Republic is distributing this Murrow film, free of charge, throughout the country. And, to round out the picture, it has recently been brought to my attention that Murrow's film, eulogizing this man Oppenheimer, was included in an employees' training program in a department of the United States Government—to be exact, the General Services Administration.

The Oppenheimer case is worth keeping in mind on two counts. It shows how easy it has been for men even with the most flagrant Communist backgrounds to rise to the top in our secret-weapons program; and it holds out the prospect, moreover, that the man who deliberately sandbags the development of a weapon on which the survival of this Nation depends will be treated, not as a criminal, not even as a rascal—but as a serious candidate for national sainthood.

When the liberals say that sabotage of the new weapon is inconceivable, my answer to them is that I consider such sabotage not only conceivable but likely because I

realize the power and influence of the liberals, and because the manifest purpose of the liberals' pro-Oppenheimer propaganda is to see to it that the next J. Robert Oppenheimer keeps his job.

Now, what about this new decisive weapon—the intercontinental ballistic missile? Most of you have heard vague and mysterious references to the ICBM—and you may have gotten the impression that intercontinental missiles, like spaceships to the moon, are something of the distant future, a Buck Rogers' fantasy. But this is a dangerous illusion. For the scientists have nearly caught up with the science-fiction writers. The development, production, and use of the ICBM as a weapon of war may be—as I indicated earlier—just around the corner.

Work on the ICBM began in Germany during the Second World War. The German V-2 rocket, which was used with devastating, though erratic, effect during the closing months of the war, was an adolescent ICBM. The V-2 lacked the necessary range and accuracy for effective use in intercontinental warfare—and, of course, it did not have a nuclear warhead. But the V-2 rocket embodied the basic principles of the weapon that may decide all of our futures.

The intercontinental ballistic missile will revolutionize warfare in our day—as, in the past, warfare was revolutionized by the invention of gunpowder, later by the airplane, and, more recently, by the atom and hydrogen bombs. And, as always—when one side has the revolutionary weapon and the other does not—the latter is at the absolute mercy of its enemies. If the Communists develop a long-range guided missile before we do, the balance of world power will shift completely, and this country will face the alternative of surrender to the Communists, or utter destruction.

The long-range guided missile will be "the" decisive weapon because there is no known way of defending against it. This is due to the terrific speed that can be generated in a rocket-propelled missile. We tend to think of our present jet planes that travel at or near the speed of sound, as just about the fastest things that man can make. But present estimates indicate that the first intercontinental missiles will travel at least 8,000 miles an hour—or 12 times the speed of sound!

At the present time we are developing means of defending ourselves against hydrogen bombs delivered by planes. Our defenses against bombing attacks are by no means foolproof, but guided missile anti-aircraft fire will be able to knock down many—perhaps most—enemy planes before they reach the United States.

For defense against H-bomb attacks, we are now relying most heavily on the Army's famous Nike missile. Should enemy planes approach this country, a Nike installation in the area of the enemy approach will launch a missile into a radar beam with which our plane-spotters are tracking the oncoming aircraft. After the missile has reached the center of the radar beam, an electronic mechanism inside the missile will cause it to "ride" the beam until finally the missile reaches the plane and destroys it. This is not as easy as it sounds because the Communists may have ways of distorting or deflecting the radar beam, and also may be able to concentrate their bombers so heavily as to make it impossible for Nike to knock down all the planes.

Others, and possibly more effective, defensive missile systems are being put into operation. For example, the Air Force has developed an aircraft-to-aircraft guided missile, called the Falcon—which is launched by fighter planes. Air Force detachments in the Arctic are being supplied with the Falcon, so that we will have a fair chance of stopping Communist bombers before they reach continental United States.

We thus have some defense against aircraft-delivered bombs. But against super-speed guided missiles, that can make the trip from Russia in less than half an hour, defense is practically impossible.

The question is often asked: Will Russian missiles, traveling at such speeds, be able to hit American cities and other strategic points with any degree of accuracy? The answer here is, unfortunately, yes. Russian intercontinental missiles will have self-contained guidance mechanisms that will guarantee a hit within 2 to 10 miles of the center of the target area. With hydrogen bomb warheads, the missiles will thus be accurate enough to knock out any metropolitan area at which they are aimed.

The guided mechanism of the Russian missile is a tremendously intricate piece of machinery—but marvelously simple in concept. The guidance mechanism will give the missile a “brain” of its own. By means of an accelerometer, which will tell the missile how far it has traveled, and a gyro-compass which, when corrected by automatic star sights, will “inform” the missile of its course, the missile will “know” where it is at every moment of its flight from Russia to the United States. The missile will also have been “told” by prelaunching instrument settings, the total distance it has to go and the course it must follow in order to reach a given American city. By putting these two pieces of information together—namely, where the missile ultimately has to go, and where it is at the moment—the guidance mechanism “figures out” the direction and distance left to travel, and automatically sets the missile at the proper speed and course.

The grave danger to every American city is, thus, self-evident. As soon as the Russians perfect this guidance mechanism, and develop sufficient range for their rockets, Milwaukee or Washington or Boston can be wiped out by pushing a button.

But the peril is even more imminent than that. American cities may be in mortal danger, even before the era of push-button warfare, because the Russians are now working on an aircraft-to-ground missile that will not require the four to five thousand mile intercontinental range. If this relatively short-range air-to-ground missile is perfected, the Communists will be able to fly their jet bombers up to the outer range of our Nike defenses—say, somewhere off our Atlantic coast—and launch guided missiles from that point. Such missiles will probably have the 8,000 mile per hour speed we mentioned earlier, and thus would be unstoppable before they reach American cities.

Now, my good friends, the best and the only known defense against a Communist guided missile attack is an intercontinental guided missile arsenal of our own. If we get to the finish line in the race to develop this weapon by the time, or before, the Communists do, the fear of retaliation may discourage the Soviet Union from launching such an attack. But if the Communists win the race, it is “curtains” for us all.

How is the race developing? The Communists were given a handicap at the opening gun. In the closing days of the war, two V-2 plants located in Eastern Germany, and 160 German scientists, who had been working on the rocket, fell into the hands of the Red Army. The important machinery from the plants, and the scientists, were promptly toted off to Russia, and put to work for the Soviet Union. Consequently, the Communists got a huge head start in the race to build the intercontinental guided missile. Our most reliable intelligence reports indicate that the Russians have given top priority to their guided missile program ever since, and with the invaluable aid of the German scientists, have taken huge strides toward perfection of the weapon.

But just as top priority has been given to the Russian ICBM program, just so the slow-down of the American program is the top priority mission of Communist agents in this country. That is their most important job. Has the Communist fifth column been successful?

We know this much: Ever since the war, our guided-missile program has been a relatively low-priority project. The program got off to a slow start at the end of the war, and in 1949—just at the time, you will recall, that Oppenheimer was convincing President Truman that the H-bomb was “immoral”—the guided-missile program was cut back even further. Why? That question must be answered—and until it is answered, and until those who were responsible have been apprehended, the security of this country remains in the gravest peril.

Since 1949 the guided-missile program, as a whole, has been stepped up slightly. Guided missiles for defense against jet attack—like Nike, Falcon, and the Navy's Terrier—have finally been developed. But very little, if any, progress has been made in developing the all-important intercontinental ballistic missile.

The American people have a right to know why this aspect of our guided-missile program is moving at a snail's pace. Is it because our scientists are inferior to the Russians? Is it because of innocent bureaucratic bungling? Or is it because highly placed Communist agents have been successful in sabotaging the program?

I doubt that American scientists are inferior. I find it hard to believe that any amount of bureaucratic inefficiency could, alone, and over a long period of time, be responsible for the neglect of our single most important defense weapon. I therefore find frighteningly compelling the alternative that Communist agents are making good on their assignment.

Back in 1950, the leftwingers told us, in effect, that Alger Hiss had been the last Communist in Government. Hiss was gone, they said, so there was no need to continue the so-called witch hunts—we could let down our guard. But the American people, in their wisdom, demanded and got relentless investigations by congressional committees. One traitor after another was exposed, until we began to get some picture of the extent of Communist infiltration. Today, the leftwingers are saying, once again, that all the Communists are gone.

This is an assumption that Americans can never afford to make if they are to remain free. Especially, can we not afford to make it when, for some curious and unexplained reason, some person—or persons—is giving low priority to the weapon on whose rapid and successful development the fate of America rests.

We live in a time of great tension, my good friends, and of great anxiety. We all want to relax the tensions and remove the anxieties. We thus may be tempted to “play along” when wily Communist diplomats turn on the charm. We may be tempted to roll out the carpet when Communist bureaucrats, disguised as “farmers,” pay a “good-will visit” to Iowa. We may be tempted to listen to those who tell us we cannot expose and prosecute Communists in Government because this would violate the “spirit of Geneva” and offend the Soviet Union. But nothing could be more foolhardy. If there were no other reason to puncture and deflate the spirit of Geneva, it is enough that this spurious love fest is causing us to let up in our efforts to expose subversion. Since we are losing the race to produce the decisive weapon, the guided missile slowdown must be investigated exhaustively and relentlessly until the culprits are uncovered.

We simply cannot afford to play the game of being “nice” to Communists.

However much we want peace, we must not lose sight of the hard truth that there will be no lasting peace so long as the Communist conspiracy survives.

We must not buy tranquillity today at the price of slavery tomorrow.

We must not forget our solemn duty to leave for our children the blessings that God has given us.

ADDRESS BY HON. JOE MCCARTHY, OF WISCONSIN, ANNUAL FALL MEETING OF SERTOMA INTERNATIONAL, ALLGAUER'S RESTAURANT, CHICAGO, ILL., DECEMBER 5, 1955

My fellow Americans, a little over a month ago, a remarkable event occurred in the city of Milwaukee. In a small, dingy auditorium, known as Wetzel's Hall, some 40 persons gathered to hear an announcement. The 40 shifted in their seats somewhat nervously, as the speaker arose behind a rickety, make-shift rostrum. Many of those in the audience had not seen this man for 5 years.

“I went away,” the speaker began, “to carry on the struggle for the rights of the people, for democracy and peace. Where I went and what I did is not important. But what is important is what is happening today at Geneva. I decided to come back.”

Who was the speaker? He was Mr. Fred Bassett Blair, chairman of the Communist Party of Wisconsin. And the audience? The 40 persons in the audience were the hard core of a Communist Party unit, who had responded to the party's call to come out into the open again.

“We disappeared,” Mr. Blair went on, “because of the people who fostered the menace of McCarthyism. They made it impossible for us to carry on our work.”

But now, said Blair triumphantly, with a smile as big as Khrushchev's, there have been wonderful changes. “We are no longer political exiles in our own country. Since the Geneva Conference of the Big Four powers, people are waking up because they realize there is no such thing as a Communist conspiracy. This thinking makes it possible for us to return.”

This scene I have just described to you, my good friends, was reenacted in numerous American cities last month, possibly right here in Chicago, as the Communist underground decided to crawl up from under the planks, and renew a public campaign to overthrow our Government. The spirit of Geneva, and the supposed defeat of McCarthyism—these are the things that, according to the Communists, make it possible for them to show their faces again.

The local party leaders did not, of course, make their decisions independently—they were operating under direct instructions from Moscow—instructions that were revealed recently by Mr. Herbert Philbrick, a former FBI undercover agent who still has contacts in the Communist underground. Here is what Mr. Philbrick wrote just a few days before the public meeting in Milwaukee:

“The Cominform, world headquarters of the Communist International, has ordered top Red agents here to bring the Red network in the United States above ground, and to reinstate the American Communist Party as a ‘legitimate national political party.’ The new instructions, obviously part of the Red pattern, since the Geneva Conference, signals a major and abrupt shift for the Communist movement in the United States, which, for the last 4 years, has operated almost entirely as an underground apparatus.”

“Couriers from national headquarters”—and I am still quoting—“are now being assigned to go into some 21 specific areas in the United States. Among the cities pinpointed for district Communist headquarters are Boston, Philadelphia, Buffalo, Pittsburgh, Cleveland, Detroit, Chicago, Minneapolis, Los Angeles, Seattle, and Denver. A target city for a forthcoming party building effort will be Houston, Tex.”

The Communists are optimistic about the success of open party activities because they believe—and now Mr. Philbrick is quoting from the Cominform instructions—that “\* \* \* attacks and persecution” of party members will come only from “Fascist and war-mongering reactionary elements,” who are clearly attempting to sabotage President Eisenhower’s policies and program for world peace. These “savages,” according to the Communist instructions, “are to be ‘condemned’ as ‘enemies of the United States.’”

I trust you realize that one such “savage” is speaking to you right now. This point was driven home by the chairman of the Wisconsin Communist Party at the Milwaukee meeting. In explaining the Communists’ mission, Blair said: “We are back here to fight against the rise of McCarthyism.”

Now, my good friends, I have no desire to exploit the implications of personal flattery contained in that statement. The Communists use the term “McCarthyism”—a word they coined—to describe everything they don’t like. They mean by it, not only Senator MCCARTHY, but also Congressional investigating committees. They mean the FBI and the Government security program. They mean patriotic organizations who have been striving valiantly over the years to alert the American people to the dangers of communism. They mean those who favor a realistic foreign policy that recognizes the Soviet Government for what it is—a ruthless tyranny whose ultimate aim is the conquest of the United States. It is these people the Communists are going to fight against—and now, fight against in the open.

I first learned of the Milwaukee Communist meeting from a news clipping sent to me by one of my constituents. Across the top of the story I read this note from the sender: “How can they have the nerve?”

How can they have the nerve? What makes the Communists think they can pull off this new campaign to deceive the American people?

Part of the answer is painfully clear. The Communists are bound to be optimistic as long as we try to keep alive the spirit of Geneva—as long as the administration nourishes the myth that the Soviet Union is a peace-loving nation. Why shouldn’t the Communists be optimistic when our own Government endorses the principal plank of their propaganda platform?

But there is a further reason for the Communists’ optimism, namely, the increasingly successful anti-anti-Communist campaign here at home. This is the matter I want to discuss with you tonight—the efforts to reduce awareness of the Communist menace, to destroy our security program, to whip up public hysteria against anti-Communist measures. This campaign is being waged by the Communists, to be sure; but the heaviest blows are being struck by their numerous, and influential and very wealthy liberal allies, who, I insist, are doing as much damage to this country as the Reds themselves.

Take, for example, the Ford Foundation’s notorious Fund for the Republic. Three years ago the Ford Foundation gave \$15 million tax-exempt funds to a group of allegedly respectable, and distinguished liberals, and told them to conduct a number of study projects that would advance understanding of civil liberties. After 3 years’ performance, it is now plain that this so-called research organization is nothing of the sort: It is a vicious anti-anti-Communist propaganda machine.

Many Americans have by now caught on to the fund’s real purposes; but with its tax-exempt millions, and with the unanimous backing of the liberal press, this false-front organization is bound to have a profound influence in creating an atmosphere conducive to a Communist revival.

One of the reasons the fund is so helpful to the Communists is its president, Dr. Robert Hutchins. This so-called scholar,

the former head of Chicago University—whose organization is now advising the American people that our security program is too tough—has some rather interesting ideas about those against whom the program is directed.

Let’s listen to Dr. Hutchins’ views on Communists, as he related them in 1949 to a committee of the Illinois Legislature. This testimony was given under oath.

Question: “So far as those who have stated they are Communists are concerned, do you not assume that their purpose must be subversive by definition?”

Dr. Hutchins’ answer: “It is not yet established that it is subversive to be a Communist.”

Next question: “There is no doubt in your mind about the Communist Party, itself, being a subversive organization, is there, Doctor?”

Hutchins’ answer: “Well, I can’t believe that that is true here, or the Communist Party would long since be illegal.”

In other words, the man, whose organization is passing judgment on our security program, says that he doubts that the Communist Party is a subversive organization.

I think we should listen to one more observation by Dr. Hutchins.

Question: “Is there any doubt that the Communist Party is a conspiratorial fifth column operating in the interest of a foreign state?”

Hutchins’ answer: “I am not instructed on this subject. I understand many Communists say they do not operate under instructions of a foreign state.”

Thus, the former chancellor of one of our leading universities, the “boy wonder,” as you may recall, of the academic world during the thirties, says he is “not instructed” as to whether the Communist Party is a Moscow-directed conspiracy.

Now, my good friends, let’s compare this statement with the recent claim of the Wisconsin Communist chairman that we mentioned a moment ago. Remember: He said the American people “realize there is no such thing as a Communist conspiracy.” This judgment might be a little premature, but why shouldn’t they be optimistic when they can count on the Hutchins and organizations like the Fund for the Republic to peddle their line for them?

Incidentally, Hutchins hasn’t changed his views a whit since 1949. Last month, at a press conference in New York, he said he would be glad to hire Communists to work for the Fund for the Republic—an organization that is supposed to be fighting communism; also he said that he had no objection to those who take the fifth amendment and refuse to tell whether they are Communists on the ground that the truth might tend to incriminate them.

Another reason the fund can be counted on to give the Communists a helping hand is in the person of its vice president, Mr. W. H. Ferry. “Ping” Ferry, as he is known, used to be director of public relations of the infamous CIO Political Action Committee. The CIO-PAC, as you will recall, spearheaded a Communist-inspired attempt to take over the Democrat Party in the middle forties—and was itself riddled by Communist Party members.

This former PAC propaganda chief, now second in command at the Fund for the Republic, still, evidently, likes the same kind of company. Last year, for example, he joined a host of notorious Communist-fronters to protest the holding of hearings by the Senate Internal Security Subcommittee on the Southern Conference Educational Fund. The subcommittee found that the Southern Conference Educational Fund was, in effect, simply a new name for the Southern Conference for Human Welfare, which was “conceived, financed, and set up by the Communist Party in 1933 as a

mass organization to promote communism through the Southern States.”

We get an even better idea of the fund’s bias by taking a close look at some of its activities over the past year—activities which betray a single underlying purpose: To belittle the Communist menace and to create a fantastically distorted picture of the civil liberties issue.

Take, for example, the fund’s famous study of the Government loyalty-security program. The results of this investigation have now been published in a book entitled “Case Studies in Personnel Security”—a case-by-case story of how harshly our security program deals with suspected Communists.

Now, do you know how the fund went about making this survey? First, it appointed one Adam Yarmolinsky to head up the project. Yarmolinsky then enlisted members of unsuspecting law firms throughout the country to interview the defense attorneys of Government employees who had been fired as security risks, so as to get the defense version of each case. These tales of woe were forwarded, unevaluated, to Mr. Yarmolinsky and his staff. The Yarmolinsky crew then culled from the field reports—still representing only the employee’s side of the story—what appeared to be the worst cases, and prepared them for publication. The book is now palmed off to the American people as a balanced study of the Government security program.

It is interesting to note one method by which the fund’s propaganda machine accomplishes its mission. In his introduction to the book, Mr. Yarmolinsky is careful—lest the fund be caught with its red underwear showing—not to call these cases typical. However, the claim is made that the cases are representative, in a highly charged emotional article on the Yarmolinsky collection appearing in the Saturday Review of Literature. Copies of this Saturday Review article are now being distributed throughout the country by, guess who?—the Fund for the Republic.

Let’s look at another of the fund’s projects. Two years ago, the fund appropriated \$185,500 for a study of attitudes toward communism and civil liberties. This study eventually begot a book called *Communism, Conformity, and Civil Liberties*, published this year—the main themes of which are (1) that Communists are merely a “nonconformist” “minority”; and (2) that this country has a distressingly small number of “tolerant” people, as the book describes them, who are willing to let avowed Communists spread Red propaganda in their communities. Incidentally, one of the professors who helped put this book together has a record of 15 Communist-front affiliations.

Take another of the fund’s projects. A year ago this month the fund appropriated \$75,000 of its tax-exempt money for “awards for outstanding original drama and documentary scripts on civil liberties themes.” In September of this year the fund selected 19 prize-winning scripts and offered them to the television industry. As might be predicted, not a single dealt with the threat to civil liberties from communism. Instead, the dramas ridiculed the fight against communism, depicting situations that even the most imaginative Communist would be proud to have dreamed up. Here are some typical award-winners, described in the fund’s own language.

“The invisible accuser: The fight of a woman surgeon to clear herself of malicious loyalty charges.

“The burden of the day: A prominent lawyer takes on the defense of a former Communist knowing his act will end his political hopes.

“The claws in the cat’s paw: The smear of a teacher as a Communist by economy-minded citizens to forestall spending for school improvements.

"The inner curtain: A practical joke involving communism at a large industrial plant ultimately forces the perpetrator of the joke to resign."

Perhaps, the Communists didn't write these scripts, but they know a good thing when they see it. The Daily Worker devoted several columns in its September 16 issue, to a laudatory discussion of the prize-winning scripts.

Another project of the Fund for the Republic is its financing of the so-called freedom agenda. The freedom agenda has published a series of pamphlets designed to show that Communists are operating in the tradition of Thomas Jefferson, and that measures for protecting our Government against Communist subversion are a violation of Constitutional safeguards for "dissenters."

Still another fund project is its distribution of 35,000 copies of a book called the Fifth Amendment Today, by Erwin Griswold, dean of the Harvard Law School. Dean Griswold attempts through highly selective legal arguments to prove that one may not infer Communist leanings from the fact that a man refuses to answer questions about alleged Communist connections on the ground that a truthful answer might incriminate him. This book is being energetically promoted by Communist Party publications and Communist-front organizations and, of course, by the Fund for the Republic.

One more example: In a recent president's report, Dr. Hutchins states that the Fund for the Republic "has made an expanded version of the television film of Edward R. Murrow's interview with J. Robert Oppenheimer available to educational institutions and groups concerned with public affairs."

This Murrow film, as you may recall, is a thinly disguised attempt to elevate to national martyrdom one of the most dangerous security risks this country has ever known.

I don't think it necessary to go into Oppenheimer's record tonight: suffice it to say that this man admittedly contributed money to the Communist Party right up until the time he was asked to serve in our top-secret atomic-energy program—and then, after he had achieved unrivaled influence in the atomic-weapons field, told Harry Truman it would be immoral for us to produce a hydrogen bomb, knowing full well that the Soviet Union would soon produce an H-bomb of its own. The Fund for the Republic is now spending tax-exempt funds to make this man a hero.

I am sure that you in this audience have as much contempt for the work of the Fund for the Republic as I do. I am sure you are as outraged as I am that the United States Government—through its tax-exemption regulations—is, in effect, subsidizing this brazen campaign to belittle the Communist menace and undermine our security program. Don't you agree that the least we can ask of the "Fund To Destroy the Republic" is that it pay its taxes like everybody else?

Even the Communist Party has to pay an income tax.

I could go on and on, citing examples of how the spirit of Geneva is being implemented here at home—of how liberals are giving aid and comfort to the Communists. If there were time, for example, I would like to discuss the activities of the Senate Subcommittee on Constitutional Rights—so-called—headed by Missouri's contribution to the leftwing bleeding-hearts club, Senator HENNINGS. HENNINGS is operating hand in hand with the "Fund To Destroy the Republic" in trying to persuade Congress to rip the guts out of the Government security program. No wonder the Communists are rejoicing, no wonder the Kremlin leaders are congratulating themselves on their smashing diplomatic victories, no wonder the

Communist Party in the United States is coming above ground again. I suggest, my good friends, that it is time the American people start fighting back.

Tonight I want to mention three ways in which we can combat this new offensive by the Communists and leftwingers.

No. 1: We must rise to the defense of an effective security program, and insist that effective security standards be vigorously enforced. We must reaffirm the principle that working for the United States is a privilege and a trust—that it is not a "right," as the Communists and leftwingers claim, that is available to persons who have played ball with the Communists, and thus for all we know may be members of the conspiracy.

If a man has compromised himself in the past by joining Communist fronts and associating with known party members, he must suffer the consequences. If there is reasonable doubt that a man's loyalty is, four-square, to the United States, the benefit of that doubt must go to the Government and to the American people.

But we cannot save our security system unless we come to grips with those who are attempting to destroy it. We must therefore recognize that our enemies are not only the Communists but their leftwing allies—the Fund for the Republic, the ADA, the anti-anti-Communists in Congress and the executive branch—who are trying to whip up public sentiment against measures that will protect our country.

Some persons say, "Oh, McCARTHY, aren't you being a little hard on the leftwingers," "Isn't it true," I am sometimes asked, "that the lefties are good Americans, misguided perhaps, but who have been genuinely taken in by the 'civil liberties' red-herring?" My answer is yes, this may be true. But I have neither the patience nor the resources to attempt to find out the inner motivations of every person who helps peddle Communist propaganda. I say, don't call them Communists. Let's concede they are well-meaning people who have been "taken in" by Communist propaganda; but let's also be very clear about what team they are playing on. In terms of the damage they do, they are every bit as dangerous to this Nation as the Communists themselves. This Republic will not last one day longer by being able to say that its destroyers had good intentions.

No. 2, we must show those arrogant, gloating Communists—who say the American people are ready to welcome them back as just another political party—that they are dead wrong. The Communists are hopelessly getting under steam a massive propaganda campaign, and a vigorous drive to recruit new party members. Our answer to them should be sharp and decisive. We should outlaw the Communist Party.

I submit that a criminal, conspiratorial fifth column, under instructions by a foreign power to try to overthrow our Government, has no legitimate claim to the protection of our laws. No nation that has any intention of surviving can afford to give legal license to those who, by intrigue, sabotage and lies, seek to destroy its institutions and way of life.

I am aware of the argument that outlawing the party would drive the Communists underground. This argument forgets, however, that the Communists need and desire an open party—as well as an underground. They want to maintain both, an underground of secret party members who do the party's conspiratorial work of sabotage, espionage and policy subversion; and an open party that conducts propaganda and recruiting activities. One effect of outlawing the party would be to block overt efforts to sell to the American people under false and deceptive colors, the Communist package of lies.

And please don't let me hear that old canard about free speech. For one thing, a Communist does not engage in free speech and free thought: He is told what to say and

think. For another, Communists are not just carriers of a political ideology: They are criminal conspirators, dedicated to the overthrow of our Government, and must be dealt with as such.

When a man commits a murder you don't, in the name of free speech, present him with a soapbox and invite him to try to win converts to the cause of murder.

No. 3—and this is most important of all—we must puncture and deflate the illusory and farcical spirit of Geneva. This means getting our foreign policy back on a realistic and moral footing—acknowledging that international communism is our implacable enemy, and that world communism will either destroy us or be destroyed.

The spirit of Geneva is the natural consequence of our having taken as our own policy guide the Communist line of peaceful coexistence. I hold that coexistence with communism is neither desirable nor possible nor honorable.

As I said to the Senate on August 1—just 3 days after the Geneva summit meeting, when most of the Senators were gushingly congratulating the President for having made friends with the Kremlin leaders—"Is it not still self-evident that hostility to communism—overt, articulate, unyielding hostility—is both necessary and desirable? We must be hostile to communism for the same reason that good is hostile to evil. Good cannot clasp the hand of evil without becoming evil, and without inviting destruction by evil. You cannot offer friendship to tyrants and murderers without advancing the cause of tyranny and murder."

God gave us these great United States and inlaid on our broad land the peerless gem of freedom. We owe it to God and to ourselves to guard that freedom today against the most monstrous tyranny in history. Let us ask God to give our generation that strength and courage and wisdom with which He has never failed to grace the American people in time of great trial.

ADDRESS BY HON. JOE McCARTHY, OF WISCONSIN, MUNICIPAL THEATER, TULSA, OKLA., DECEMBER 7, 1955

My fellow Americans, I always like to speak in the Midwest, here in the heart of the United States, because we don't have to spend our time discussing elementary things. You people in Oklahoma—unlike some of the persons I know in Washington—don't need a grade-school education on what the Communist fight is all about.

There is no need, for example, to tell a Tulsa audience that the so-called spirit of Geneva is the spirit of illusion, folly, and appeasement.

In Tulsa, it is unnecessary to explain that when you propose friendship with tyrants and murderers—however good your intentions—you advance the cause of tyranny and murder.

There is no hesitation in this audience, I am sure, to refer to Communists as the eternal enemies of God and the human race, and to the Soviet Union as an unregenerate international bandit—even though the Paul Hoffmans and the Milton Eisenhowers tell us that such words constitute a serious breach of coexistence etiquette.

I trust that you good Americans will never lose sight of, nor minimize, the central fact of this struggle—namely, that however broad the smiles of the Kremlin leaders become, international communism is irrevocably committed to destroy this Nation and our way of life.

We cannot do business, we can never make friends, with that sort of enemy.

Creating the spirit of Geneva was, of course, a great triumph for Communist diplomacy, and the Kremlin leaders are still exploiting that triumph to the hilt. But the spirit of Geneva was not only a diplomatic victory for the Communists, it has had repercussions here at home.

A little over a month ago, an event occurred in the city of Milwaukee that gives some idea of why the Communists were so anxious to create the spirit of Geneva. In a small, dingy, auditorium, known as Wetzels hall, some 40 persons gathered to hear an announcement. The 40 shifted in their seats somewhat nervously, as the speaker arose behind his rostrum. Many of those in the audience had not seen this man for 5 years.

"I went away," the speaker began, "to carry on the struggle for the rights of the people, for democracy, and peace. Where I went and what I did is not important. But what is important is what is happening today at Geneva. I decided to come back."

Who was the speaker? Who was the man who decided to come back? He was Mr. Fred Bassett Blair, chairman of the Communist Party of Wisconsin. And the audience? The 40 persons in the audience were the hard core of a Communist Party unit, who had responded to the party's call to come out into the open again.

"We disappeared," Mr. Blair went on, "because of the people who fostered the menace of McCarthyism. They made it impossible for us to carry on our work."

"But now," said Blair triumphantly, with a smile as big as Khrushchev's, "there have been wonderful changes. We are no longer political exiles in our own country. Since the Geneva Conference of the Big Four powers, people are waking up because they realize there is no such thing as a Communist conspiracy. This thinking makes it possible for us to return."

This scene I have just described to you, my good friends, was reenacted in numerous American cities last month, possibly right here in Tulsa, as the Communist underground decided to crawl up from under the planks, and renew a public campaign to overthrow our Government. The spirit of Geneva, and the supposed defeat of McCarthyism, these are the things that, according to the Communists, make it possible for them to show their faces again.

The local party leaders did not, of course, make their decisions independently: they were operating under direct instructions from Moscow, instructions that were revealed recently by Mr. Herbert Philbrick, a former FBI undercover agent who still has contacts in the Communist underground. Here is what Mr. Philbrick wrote just a few days before the public meeting in Milwaukee:

"The Cominform, world headquarters of the Communist International has ordered top Red agents here to bring the Red network in the United States above ground, and to reinstate the American Communist Party as a legitimate national political party."

Philbrick went on to say "the new instructions, obviously part of the Red pattern \* \* \* since the Geneva Conference, signals a major and abrupt shift for the Communist movement in the United States, which, for the last 4 years has operated almost entirely as an underground \* \* \* apparatus."

"Couriers from national headquarters"—and I am still quoting from Philbrick—"are now being assigned to go into some 21 specific areas in the United States \* \* \* among the cities pin-pointed for district Communist headquarters are Boston, Philadelphia, Buffalo, Pittsburgh, Cleveland, Detroit, Chicago, Minneapolis, Los Angeles, Seattle, and Denver. A target city for a forthcoming 'party building' effort will be Houston, Tex."

The Communists are optimistic about the success of open party activities because they believe—and now Mr. Philbrick is quoting from the Cominform instructions—that " \* \* \* attacks and persecution of party members will come only from 'Fascist and war-mongering reactionary elements,' who are 'clearly attempting to sabotage President Eisenhower's policies and program for world peace.'" These "savages," according to the Communist instructions, "are to be

'condemned' as 'enemies of the United States'."

I trust you realize that one such "savage" is speaking to you right now. This point was driven home by the chairman of the Wisconsin Communist Party at the Milwaukee meeting. In explaining the Communists' mission, Blair said: "We are back here to fight against the rise of McCarthyism."

Now, my good friends, I have no desire to exploit the implications of personal flattery contained in that statement. The Communists use the term "McCarthyism"—a word they coined—to describe everything they don't like. They mean by it, not only Senator McCarthy, but also congressional investigating committees. They mean the FBI and the Government security program. They mean patriotic organizations, and people, who have been striving valiantly over the years to alert the American people to the dangers of communism. They mean those who favor a realistic foreign policy that recognizes the Soviet Government for what it is—a ruthless tyranny whose ultimate aim is the conquest of the United States. It is these people the Communists are going to fight against—and fight against in the open.

This new Communist declaration of war is one reason that no politician—whether he be Republican or Democrat—can come before the American people in 1956 and, in good conscience claim to have brought peace to the world. There will never be real peace so long as the Communists own one-half of the earth and are determined to enslave the other.

I first learned of the Milwaukee Communist meeting from a news clipping sent to me by one of my constituents. Across the top of the story I read this note from the sender: "How can they have the nerve?"

How can they have the nerve? What makes the Communists think they can succeed in this new campaign to deceive the American people? This is the subject I want to deal with tonight. I want to talk about some recent events that make it all too clear why the Communists are optimistic about the future.

On November 7, just 1 month ago today, a message was sent from Denver, under the signature of President Eisenhower, to Klementi Voroshilov, chairman of the Presidium of the Supreme Soviet of the U. S. S. R. Before reading it, let me say I am reluctant to attribute the inspiration for this message to the President. He was on his sick bed and was probably under the influence of the "palace guard," that shadowy left-wing cabal consisting of the Paul Hoffmans, Harold Stassens, and Milton Eisenhower—men who are masterminding our foreign policy even though they were not elected to office and will surely be repudiated by the American people if they ever become candidates.

Here is what the Eisenhower message said: "On this national anniversary of the Soviet Union, I am happy to convey to your Excellency and the people of the Soviet Union the best wishes of the people of the United States for progress toward a permanent and just peace."

And what was this "national anniversary" that we helped the Communists commemorate? It was the day of the Russian revolution—the day that marks the beginning of slave labor camps, of collectivized farms, of the closing of the churches, of the enthronement of the worst tyranny the world has ever known.

No wonder the Communists are cocky about the future, when our President, in effect, congratulates the Communist leaders on the anniversary of the day they managed to enslave 200 million people.

The incredible thing about this message is that it was sent on behalf of the people of the United States. How many of you

people in Tulsa were consulted about it? How many in this audience thought it proper to congratulate the peoples of Russia on the anniversary of the day they were put in chains. Yet this is exactly what was done in your name—and in mine.

The fact that we keep making degrading overtures to the Kremlin is one of the reasons the Communists think they have a rosy future ahead. But there are others. Most important are the increasingly successful attempts to whip up public hysteria against anti-Communists and any effective efforts to protect our Government against Communist subversion. This campaign was inspired by the Communists; but the heaviest blows are being struck by their numerous, and influential, and wealthy liberal allies who, let me assure you, are doing as much damage to this country as the Reds themselves.

Take, for example, the Ford Foundation's notorious Fund for the Republic which claims to be conducting an objective study of the Communist menace and of the Government security program. The other night in Chicago I discussed the activities of this organization in some detail—activities that show it is an anti-anti-Communist propaganda machine.

I wish I had the time tonight to go into the full story of an organization that is spending \$15 million of tax-exempt money to help spread the Communist line. But we can get some valuable insights into the Fund for the Republic by taking a quick look at its president, Dr. Robert Hutchins.

In 1949, Dr. Hutchins was asked about his views on communism by a committee of the Illinois Legislature. Here is his testimony given under oath:

Question: "So far as those who have stated they are Communists are concerned, do you not assume that their purpose must be subversive by definition?"

Dr. Hutchins' answer: "It is not yet established that it is subversive to be a Communist." (This was in 1949.)

Next question: "There is no doubt in your mind about the Communist Party itself being a subversive organization is there Doctor?"

Hutchins' answer: "Well, I can't believe that that is true here, or the Communist Party would long since be illegal."

In other words, the man, whose organization is passing judgment on our security program, says that he doubts that the Communist Party is a subversive organization.

Let's listen to one more observation by Dr. Hutchins.

Question: "Is there any doubt that the Communist Party is a conspiratorial fifth column operating in the interests of a foreign state?"

Hutchins' answer: "I am not instructed on this subject. I understand many Communists say they do not operate under instructions of a foreign state."

Thus, the former head of one of our leading universities, the "boy wonder" as you may recall, of the academic world during the thirties, says he is "not instructed" as to whether the Communist Party is a Moscow-directed conspiracy.

Now let's compare this statement with the recent claim of the Wisconsin Communist leader that we mentioned a moment ago. Remember: Blair said the American people "realize there is no such thing as a Communist conspiracy." This judgment might be a little premature, but why shouldn't the Communists be optimistic when they can count on the Dr. Hutchinses and organizations like the Fund for the Republic to peddle their line for them?

With Hutchins feeling the way he does about communism, is it any wonder that the Fund for the Republic's method of "investigating" the security program was to gather together the complaints of dis-

charged Communist suspects, and then palm them off to the American people as an objective account of how the program works.

Is it any wonder that the fund sponsored a book on communism the main themes of which are (1) Communists are merely a "nonconformity minority," and (2) that this country has a distressingly small number of "tolerant" people who are willing to let avowed Communists spread Red propaganda in their communities.

Is it any wonder that the fund appropriated \$75,000 in prizes for television scripts that ridicule and disparage the efforts of those who are attempting to oppose Communists?

Is it any wonder that the fund distributed a book by the dean of the Harvard Law School, who tells his readers they may not infer Communist leanings when a man refuses to answer questions about alleged Communist connections on the ground that a truthful answer might incriminate him?

Is it any wonder that the fund financed the distribution of Edward R. Murrow's television film on J. Robert Oppenheimer—which attempts to elevate to national martyrdom a man who admittedly gave money to the Communist Party right up until the time he was asked to serve in our top secret atomic-energy program, and after that was responsible for the disastrous postponement of our hydrogen-bomb program?

I am sure that you people in Tulsa have as much contempt for the work of the Fund for the Republic as I do. I am sure you are as outraged as I am that the United States Government—through its tax-exemption policies is, in effect, subsidizing a brazen campaign to belittle the Communist menace and undermine our security program. Don't you people in this audience agree that the least we can ask of the "Fund to Destroy the Republic" is that it pay its taxes like everybody else?

Even the Communist Party has to pay an income tax.

Unfortunately, however, the heaviest blows on the Communists' behalf are being struck in the Halls of the United States Congress. Last May, the Democrat-controlled Senate set up a committee, headed by Missouri's special contribution to the "leftwing bleeding hearts club," Senator HENNING, to investigate the alleged threat to civil liberties. The Communist Party had been calling for such an investigation for many months. Ever since then Senator HENNING has used all the power of a Senate committee in an attempt to wreck the Government security program.

Recently I issued a public statement, pointing out that HENNING was waging jungle warfare against the security system, and was making it easier for the Communists to infiltrate our Government. HENNING replied the next day and said, in effect, "McCARNEY doesn't understand what we are trying to do when we attack the security program: we are trying to 'strengthen the security program.'"

For hypocrisy and doubletalk, I have seen few equals to that statement. Let's look at the record. A little over a month ago in St. Louis, Mo., HENNING demanded three changes in our security program. He said (1) we can no longer utilize the doctrine of "guilt by association." This is leftwing gobbledegook for saying that the fact a man has belonged to 5 or 15 or 30 Communist fronts, and regularly associates with espionage agents and members of the Communist Party, must not even be taken into account in deciding whether he should be given a sensitive Government job.

Then (2) HENNING insisted we must do away with a "system of secret informers." This is leftwing gobbledegook for saying that FBI undercover agents cannot disclose the treasonous activities of Government employees, unless they reveal their own

identity—which would, of course, destroy our counter-espionage system overnight.

But HENNING was not satisfied with that. He also contended (3) that we should get rid of the "reasonable doubt" loyalty standard. This means—as HENNING well knows—that John Stewart Service, John Patton Davies, Esther Brunauer, and dozens of others suspected of Communist activities would be back behind their desks in the State Department. These proposals are not exactly what I would call "strengthening our security program."

Senator HENNING is no fool. He knows that if these recommendations were put into effect, the security program would be left in shambles. He is bright enough to realize that this would open the floodgates to wholesale Communist infiltration of our Government. HENNING, of course, is playing politics. He is trying to prove—although he knows better—that Republicans are unmindful of civil rights. But this kind of cheap politics cannot be tolerated when the life or death of this country is at stake.

Another aspect of the security program about which HENNING has raised a great hue and cry is what he and the leftwingers call "guilt-by-kinship." This issue has been so misrepresented and distorted by the leftwing press that the public has very little idea of how family relationships actually figure in a security determination. Actually, of course, a security decision does not involve the question of guilt at all—the question is whether a person is suitable for a sensitive job, whether he is a good security risk. So the term is, to begin with, a deceptive misnomer. But beyond that, it is not the policy of the Government—contrary to what the leftwingers allege—to make an adverse finding on the basis of family relationships alone; this is just one of the factors to be taken into account.

Now: Does it make sense, as HENNING says, to pay no attention whatever to the fact a man's relatives are Communists? Let's test HENNING's theory by an actual case, the facts of which have now been documented. Let's suppose that, several years ago, a man named Harold Ware applied for a job in the State Department. Assuming the State Department was operating as it should, it would have called for an investigation and the FBI would have reported as follows: This man Ware's mother was a member of the central committee of the Communist Party, was Communist candidate for Governor of Pennsylvania in 1938 and for Congress in 1940; his mother's first husband was the Communist candidate for Governor of North Dakota in 1932; his brother was a Communist organizer and was the Communist candidate for Governor of Minnesota in 1930; his first wife was a Communist pamphleteer; and his sister conducted a music studio at which Communist meetings were held.

Now, according to HENNING, the State Department should not have taken these factors into account because that would have been endorsing the doctrine of guilt by kinship. I suggest, however, that the Department would have been wise to look a little further into the case of Mr. Harold Ware. A further look might have been rewarding, for the Department might have found that this man with the highly suggestive family tree was, himself, the organizer of one of the Washington cells of the Communist Party later exposed by Whittaker Chambers.

Now, does the fact his relatives were Communists prove that Harold Ware was a Communist? Of course not. But it should raise a flag, a warning to security officers and be considered as part of the whole picture. HENNING would have us ignore this information altogether—indeed, it seems he would have us ignore every type of circumstantial evidence of treason.

The thing we must remember is that the Communist conspiracy is a covert operation,

and that Communist agents are usually successful in covering up their tracks. Clues of disloyalty are few and hard to find. HENNING must know that we cannot rule out, one by one, every method of spotting Communists and still hope to catch them.

Yet this is exactly what he is attempting to do. Three weeks ago, the Hennings committee began attacking the Army for trying to correct lax security practices that had been exposed by the Senate Investigations Subcommittee under my chairmanship. You will recall that we discovered in the Peress and Belsky cases (incidentally, has anybody discovered who did promote Peress?) that the Army was giving honorable discharges to soldiers who took the fifth amendment when asked about their Communist connections. After the Peress case, the Army corrected that particular situation—corrected it, that is, until HENNING arrived on the scene. Last month the Hennings committee, day after day, hammered away at Army officials for refusing to grant honorable discharges to fifth-amendment Communists.

At one point in the barrage, HENNING berated the Army for merely including as one of the items to be taken into account in deciding a security case the fact that the man took the fifth amendment. HENNING's counsel said: "How can you justify that, either on the constitutional basis, or on just the basis of morals? If a man is entitled to rely upon his constitutional privilege, how can the Army hold that against him?" Now do you get this picture? The Army, as part of a routine security investigation, makes a list of all of the information about a man that might possibly be considered derogatory—that is before any decision is made about the man—and it includes in this list the fact that the soldier says "I refuse to tell whether I am a Communist on the grounds that the truth might tend to incriminate me." But the Hennings committee says, "No, you can't do that; that's immoral."

There is, however, a sequel to this story. Due to Hennings' daily browbeating of Army officials, the Army changed its regulations and they are now worse than they were before the Peress case. The other day, the Army issued an amazing new directive. In effect, the new directive says to Communists and Communist party-liners who are drafted into the Army: All you have to do is take the fifth amendment, and then you will be able to avoid military service altogether, and go back to civilian life with no disgrace or stigma attached to your name.

I simply cannot understand the topsyturvy moral standard that prevails in some quarters. How can we, in good conscience, ask loyal American boys to give several years of their lives to their country's service, when we allow Communists and Communist party-liners—by pleading the fifth amendment—to go scot free, neither drafted nor disgraced?

After this directive was issued, Hennings said, "We are making progress. I look forward to further improvements in the regulations as the subcommittee prosecutes this inquiry."

If what Hennings is doing represents an improvement to our security system, then I suggest we need some improvement in the type of men who conduct congressional investigations, and we need it as fast as we can get it.

I have no desire to get into politics tonight but I feel we must talk some now about Hennings, the Democrat. There is no way in the world of divorcing responsibility for the activities of a Senate committee from the political party which has control of the Senate. Moreover, the activities of Hennings' committee are the responsibility of the national leaders of the Democrat Party—who, anytime they choose, can find ways to call off the dogs, to stop the efforts to destroy our security program.

Several days ago I addressed a letter to the three leading candidates for the Democrat presidential nomination—Adlai Stevenson, Estes Kefauver, and Averell Harriman—asking them to repudiate Senator HENNING and his committee. None of them has done so. As a matter of fact, I am unaware that a single Democrat leader has spoken up and condemned HENNING on the grounds that the proper concern of the United States Senate is with exposing Communists and not with protecting them.

Therefore, we must face facts and start talking about the qualifications of the two major political parties to lead our country. I would like to be able to tell the American people that the Democrat Party is alert to the dangers of the Communist menace—for I know that millions of rank and file Democrats throughout the country abhor communism. But I cannot and I will not overlook the demonstrable fact that the Roosevelt-Truman-Stevenson leadership of the Democrat Party has, for the past 23 years, made life easier for the Communist Party-liners.

Most of that record is well known. Let's look, however, at the most recent chapters. A year ago this month, Democrat Senators, en bloc, voted to censure me—and why? Was it because I had tried to cover-up a tax delinquency? That question was pretty well settled when the Government admitted it owed me \$1,056.75 for overpayment of taxes. Was it because General Zwicker was mistreated? As of this moment, General Zwicker's case is being examined by the Criminal Division of the Justice Department, on the recommendation of the McClellan committee, for possible perjury prosecution. No, these things—as everybody knew—were window dressing. The real crime was McCarthyism—I e., tough anticommunism.

But after that the Democrats were anxious to cover their tracks. So on January 10th of this year, after they had obtained control of the Senate, a resolution was introduced and passed which said: "it is the sense of the Senate that its appropriate committees should continue diligently and vigorously to investigate, expose, and combat \* \* \* [the Communist] conspiracy and all subversive elements and persons connected therewith." Now, this resolution was manifestly an attempt to offset the impression that the Democrats' censure vote was a vote in favor of letting up on prosecution and exposure of Communists. Nonetheless, I thought we should give the Democrats a chance to make good on their promise. So I said at that time on the Senate floor that I would give the Democrats 1 year to prove they meant what they had said about exposing Communists.

That year is now almost up. What do the Democrats have to show for that year? What is the box score? During the course of this past year not a single Communist in Government has been exposed by the Democrat-controlled Congress—not a single one. But worse than that: instead of trying to expose Communists, Democrats have concentrated their efforts on trying to emasculate our security program.

First, there was the Johnston committee that spent its time parading discharged Communist suspects before the public to tell their tales of woe. Then came the Hennings committee with its stepped-up assault on efforts to rid the Government of Communist influence. Such is the record for the Democrat Congress. In the light of that record, it is to imperil the safety of this country to say that communism should not be a political issue in 1956.

After 20 years of being soft on communism, there are no signs that the Democrat leadership has improved—not the slightest hint of repentance or acknowledgement of past errors. Yet have the American people not a right to demand some evidence of repentance

and improvement if communism is to be dropped as a political issue? Did Harry Truman repent when he lied about his actions protecting Harry Dexter White, and then tried to defend those actions? Has Adlai Stevenson ever indicated a change of heart after his wisecracks in the 1952 campaign about Communists in the Bureau of Wildlife and Fisheries? Do the activities of the Hennings committee suggest that Democrats are ready to stop following the party line on the subversion issue?

Political leaders must learn that they cannot dance to every tune the Communists play and then expect to be entrusted with the conduct of our national affairs. Until they do learn this—whether they be Democrats or Republicans—they must answer to the American people at the ballot box.

The Communists are gloating today. They are congratulating themselves on their smashing diplomatic victories, and on their remarkable success in getting non-Communist Americans to wage their propaganda war for them. Of course, they have good reason to rejoice.

At the same time, I am convinced the Communist victory celebration is a little premature. The Communists may have the majority of the Nation's press, and tax-exempt foundations, and Senate committees doing their leg work for them. But if they think this means that victory is theirs, they have not reckoned with the ordinary American when he gets aroused and decides to fight back.

We are still, thank God, a Republic. By the power of the vote, the American people can see to it that their own wholehearted, unconfused, militant opposition to communism becomes the policy of the United States Government. We have our work cut out for us in 1956. Let's do a job for America.

ADDRESS BY HON. JOE MCCARTHY, OF WISCONSIN, MANION FORUM OF OPINION, MUTUAL BROADCASTING SYSTEM, JANUARY 8, 1956

My fellow Americans, tonight I want to talk about the most serious problem confronting us: Our losing battle against international communism; and I want to discuss what I believe to be the basic cause of our continuing defeats, namely, that we have permitted the Communists to write our foreign policy, as well as their own.

Any man who is honest and who views the situation objectively will admit that, since the Communist-inspired Geneva summit meeting, America's world position has progressively deteriorated. In Western Europe, instead of honoring their commitments to NATO, our allies are decreasing their armed forces. The West Germans are losing faith in us and are in danger of being forced into a neutralization deal with the Communists. A Communist arsenal is being established in Egypt. The Near East is torn with anti-American riots. In North Africa, anti-Western feeling is at a fever pitch. Millions in India cheer the Communist leaders. Communist enslavement of Eastern Europe has, in effect, been ratified by the United Nations by its admission of Soviet puppets in the infamous package deal.

Our fighting allies in Asia have been abandoned and one of them, Free China, has been threatened with blackmail for taking a moral position on the package deal. Indeed, President Eisenhower personally sent three cables to Chiang Kai-shek, urging him not to veto the admission of Outer Mongolia to the U. N.

Now, what has happened since that proud day in 1952 when the American people endorsed a militant, realistic foreign policy, grounded firmly on moral principle; when we told the world that we would not only oppose further Communist advances, but would seek to roll back the Communist tide? On November 4, 1952, we elected a President whose party platform had said: "We shall

again make liberty into a beacon light of hope that will penetrate the dark places. \* \* \* (We will) end \* \* \* the negative, futile, and immoral policy of containment which abandons countless human beings to a despotism and godless terrorism, which, in turn, enables the rulers to forge the captives into a weapon for our destruction."

That statement in the Republican platform of 1952, and its overwhelming endorsement by the American people, struck terror into Communist hearts; and that terror was redoubled in the first few months of the Eisenhower regime by deeds—when, for example, President Eisenhower wisely revoked Truman's orders to the Seventh Fleet to protect Communist China. The Communists feared that if this new policy continued, their plans for world conquest would be frustrated.

It was therefore essential for the Communists to persuade the Eisenhower administration to get back on the road of cringing appeasement that had been traveled for 20 years under Democrat rule. This was to be their supreme mission in the months ahead.

Let us see how the Communists went about their task. On August 8, 1953, the then dictator of the Soviet Union, Georgi Malenkov, made a major foreign policy speech which laid down the line for a dramatic switch in Communist international tactics. The world situation, according to Malenkov, required the easing of international tensions. (How many times, incidentally, have we heard that Communist phrase parroted by Western statesmen during the past year?) Malenkov then went on to explain that the easing of international tensions could be accomplished by great power negotiations. This, then, was the Kremlin's strategy.

The job of undermining America's new moral position was assigned to the international Communist apparatus. In the fall of 1953, the Communist Party of the United States called a secret national conference. Let me read from the main report delivered at that conference. These were Moscow's instructions to the American Communist Party in 1953: "Both the needs and the possibilities of the present moment call for the development of a veritable crusade for peaceful negotiations, for a top-level meeting of the big powers. \* \* \* It is to this end that we must turn all our energies, our utmost skill, tenacity and resourcefulness. \* \* \* We must develop a full-throated demand for peaceful negotiations that will ring from one end of the country to the other."

We all know that this Communist propaganda drive, like so many others in the past, was completely successful. Last spring, a year and a half later, the administration reversed its policy and agreed to a meeting at the summit. A black headline in the Communist Daily Worker screamed: "Geneva: A peoples' victory." And well the Communists might have rejoiced, for when officials of the United States Government shook hands, smiled and drank vodka with the Kremlin despots, our moral position had been smashed beyond recognition. We had adopted a foreign policy that had been devised in Moscow. Thereafter, the spirit of Geneva became the keystone of American policy, and concrete Soviet political victories began to pile up, one after the other.

Today, many people are saying, "Yes, Geneva was a mistake, but we know this only through hindsight." But I say this knowledge does not come to us through hindsight. The tragic consequences of falling for the Communist coexistence line were, I believe, foreseen by the majority of the American people—as, indeed, they must have been by anyone who possessed the most rudimentary knowledge of Communist teachings.

On June 16 of last year, just a few days after the President first announced that he

was going to meet with the Kremlin leaders, I advised the Senate that the Soviet peace offensive was a fraud, and that we were falling for a Communist ruse. I reminded the Senators of a speech delivered by Dmitry Manuilsky in 1930 to the Lenin School of Political Warfare—which is just one example of traditional Communist teaching. Here is what Manuilsky said 26 years ago: "War to the hilt between communism and capitalism is inevitable. Today, of course, we are not strong enough to attack. Our time will come in 20 or 30 years. To win we shall need the element of surprise. The bourgeoisie will have to be put to sleep. So we shall begin by launching the most spectacular peace movement on record. The capitalist countries, stupid, and decadent, will rejoice to cooperate in their own destruction. They will leap at another chance to be friends. As soon as their guard is down, we will smash them with our clenched fist."

I warned the Senate that by acceding to Communist demands for the summit meeting, we were helping to fulfill Manuilsky's prediction.

On June 20, when it was apparent that the administration was determined to go through with the conference, I urged the Senate to recommend that the subject of the Communist satellites be put on the Big Four agenda. It was, after all, ludicrous to attempt to ease world tensions without so much as discussing the real cause of those tensions—namely, the Communist slave empire. But the Senate refused to so advise the President because—the argument ran—that would be tying the President's hands.

Because the Senate was too timid to exercise its constitutional right to advise the President on matters of foreign policy, the Communist slave empire was never discussed by the Big Four; and, as a result, the hopes of the captive peoples for obtaining their freedom were dealt a death blow.

By thus abandoning our liberation policy and substituting for it the Communist inspired spirit of Geneva, we courted the disastrous events of recent months.

The overriding fact of the present situation is this. There is not a single square mile in the entire Communist empire that is threatened by, or under pressure from, the free world. Thanks to our policy of peaceful coexistence—which we dutifully observe and the Communists do not—the Communists have absolute freedom to maneuver in any direction they choose. They are therefore on the offensive everywhere in the world. The free world, on the other hand, has denied to itself the right to try to liberate Communist territory, and is thus completely on the defensive. The result is that we are frantically trying to plug the holes and build up the dikes in a hundred places on the globe. We spend millions of dollars in one area, only to find that the Communists have advanced in another area. We then discover, several months later, that the millions we spent produced only more anti-Americanism.

I am not one of those who believe that the world situation can be repaired by the American taxpayer handing out more money. This is the argument of the Democrat leaders and the administration, which now wants to double our foreign-aid bill from two and one-half to five billion dollars. Handouts are no substitute for a foreign policy. We received startling evidence of this fact when the most enthusiastic welcome in India for Khrushchev and Bulganin occurred in a town built with American money.

What is really needed today is a return to the principles of the Republican platform of 1952. We must give all the aid we can spare, not in bribes to the neutralists, but to our fighting allies, the Free Chinese, the South Koreans, the South Vietnamese. Above all: We must give hope to the enslaved peoples all over the world by refusing to rec-

ognize their Communist rulers and by encouraging them to throw off their chains.

Now, it goes without saying, I think, that we cannot restore a liberation policy by returning the Democrat Party to power in 1956. Under the Roosevelt-Truman leadership, the Democrats appeased the Communists for 20 years; and they took the lead last spring in insisting that we accept Communist demands for top-level negotiations. (In fact, it was WALTER GEORGE, Democrat, chairman of the Senate Committee on Foreign Relations, who first urged the President to agree to the meeting.) Moreover, the definitive answer as to how the Democrat Party feels about communism was provided a year ago when, without a dissenting vote, Senate Democrats fell into line and carried out Democrat Party orders to censure a man who had fought Communists too vigorously and too successfully. At the same time, a majority of Republicans voted against condemning hard anticommunism.

We will get the kind of foreign policy we need only by electing those Republicans who, over the years, have proved they understand that America will never defeat communism by appeasing communism.

We must all work for a rejuvenated foreign policy in the months ahead. I trust that you, my fellow Americans, will lend to this fight the time, energy, and devotion that are necessary to save our country.

### Why Public Law 875 Should Be Amended

#### EXTENSION OF REMARKS

OF

#### HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. PATTERSON. Mr. Speaker, every Member of this distinguished body knows of the devastating flood disasters that occurred along the eastern seaboard last August and October when the boundless might of nature destroyed human lives and caused untold destruction to property.

It was my district, Mr. Speaker—the Naugatuck Valley of Connecticut—that suffered worst of all from those two successive floods; and during those tragic hours of the August flood, I was a constant observer of the illimitable courage and heroism of those whom I was born amid, grew from youth to manhood with, and for whom I established an everlasting admiration and love.

However, Mr. Speaker, during the aftermath of those horrible tragedies of August and October of last year, I also observed the execution of a law of the land that this great body had enacted—Public Law 875. But it soon became clear, Mr. Speaker, that despite the many good provisions of this law, it was still inadequate to meet the impact occasioned by such a natural disaster as that which struck the State of Connecticut and five other States and afford immediate relief to victims in such disaster areas, as the Congress had expressly intended this bill to do. It is for that reason, Mr. Speaker, that I am introducing amendments to Public Law 875, and also for the following reasons:

When sudden disasters strike homes, farms, and factories, the American people plead for greater opportunities to help those in need. They realize that

earthquakes, fires, floods, tornadoes, and hurricanes sweep asunder the lives, possessions, hopes, and dreams of many persons. They know that even creeping disasters cut away coastlines, alter rivers' courses, cause droughts, and take their tolls regardless of a person's race or color, religion, amount or lack of money, political affiliation, or where he lives.

The people respond gladly to public subscriptions and other forms of relief, but these efforts are usually insufficient. Many people feel that their eagerness to help has been frustrated.

Rivers once flowed unhampered to the sea. But streams are being increasingly constricted by bridge piers, bridges, transportation, rights-of-way, pipelines, factories, and other obstructions. Consequently, the dangers and damages of floods grow.

Even the well-intentioned efforts of our Government officials are too slow, too meager, and too cumbersome, mainly because of inadequate Federal disaster laws.

#### PUBLIC LAW 875

The principal authority for Federal disaster relief is Public Law 875, approved on September 30, 1950. This act authorizes the President to coordinate the disaster assistance activities of the National Government and to direct Federal agencies to utilize their available personnel, equipment, supplies, facilities, and other resources. This act has been amended to permit greater Federal assistance, by Public Law 107, 82d Congress, approved August 3, 1951, which authorizes housing relief in major disasters; and Public Law 134, 83d Congress, approved July 17, 1953, which authorizes Federal surplus property use in major disasters.

Basic statutory authority of the United States Department of Agriculture was amended by Public Law 115, 83d Congress. This amendment assists particularly in relief of drought areas.

Authority to administer Public Law 875 is lodged in the Federal Civil Defense Administration. Before Federal disaster assistance can be given the governor of the affected State must formally certify the need for Federal help and assure the expenditure of a reasonable amount of funds for relief purposes by the State or local governments. Then the President has to determine that the catastrophe is serious enough to be classified as a major disaster. This has been done 51 times up to June 30, 1954.

#### THE NEED TO IMPROVE PUBLIC LAW 875

Public Law 875 needs to be improved so that help can be more direct and more financial assistance can easily be made available. At present the officials charged with administration of the law have virtually no guidance for how much the State and local governments must spend. This should be made more definite, and the act should recognize differences in fiscal capacity among the States. Recognition should also be given to the disaster's crippling effect upon an area's ability to pay.

The specification that \$5 million be appropriated to the President for purposes of the act is much too small and

restrictive. It should be omitted and terms such as "whatever funds are necessary" should be substituted. It is difficult to specify an exact amount. Actual appropriations for Public Law 875 purposes through the fiscal year 1955 amounted to \$59.3 million—\$28 million of these funds were advanced to the USDA for drought relief and subsequently the USDA reimbursed Civil Defense from its appropriated funds. This is to be contrasted with property losses from major disasters during the same period of about \$4 billion.

Apparently the total amount of public money spent to recover from disasters is small compared to the total damage. The Federal investment—\$59.3 million—since its enactment has averaged only 14 percent of the total public funds spent for disaster relief. The local authorities have furnished about 73 percent of these payments and the States have paid about 13 percent. In other words, those areas hit by the floods, hurricanes, earthquakes, and other disasters were the very ones which were least able to pay but they furnished three-fourths of the money. These people realize that we spent over \$21 billion for foreign aid in the last 4 years. They know that the money for foreign aid comes out of the pockets of all the taxpayers, including those in disaster areas—to help outsiders. Regardless of the merits of foreign aid it is shocking to note that during the last 5 years Congress appropriated only \$59.3 million for natural disaster sufferers in our country.

Evidently private insurance did not and probably could not fill the gap between total public expenditures—some-what over \$400 million—and total disaster losses of about \$4 billion in the last 5 years. For example, of the 1951 Kansas-Missouri \$1 billion flood loss, only 5 percent was covered by insurance—United States Congress, Senate, Committee on Banking and Currency, Federal disaster insurance, staff study, 84th Congress, 1st session, committee print, November 30, 1955, Washington, Government Printing Office, 1955: 14. Floods, whether caused by hurricanes or other factors, do the most damage, are hardest to insure and are apparently the least covered by any type of insurance. Insurance is scarce also for tidal waves, certain water damage from hurricanes, and air pollution.

The authority of the President and the several agencies to act quickly should be more definite and less restrictive. For example, the disaster in New England in the fall of 1955 required a decision as to whether or not a special session of Congress was necessary. Fortunately, that was not demanded. The chairmen of the congressional Appropriations Committees approved the emergency expenditure of additional Federal funds. This was admirable action but for a while a condition of uncertainty existed and valuable time was taken to get a decision. In contrast, if the law permitted more automatic and direct authority by the President to pledge the credit of the United States to necessary amounts, then private funds would be more quickly available and many frus-

trations and uncertainties would be avoided. More direct authority for the President to pledge credit would put less of a burden on the Small Business Administration which is empowered to make disaster loans, but naturally many safeguards are applied and the approvals of loan applications take considerable time.

Public Law 875 does relatively nothing to stimulate pre-disaster planning or post-disaster permanent reconstruction. To cite another example, numerous factories located in or near streams are damaged or washed away by floods, but they relocate at or near their original, dangerous sites. The Office of Area Development, United States Department of Commerce, has some specialists who could help advise businessmen on new locations. However, this agency has only about 15 employees and its services to distressed areas are thus quite limited.

Public Law 875 generally confines Federal agencies' aid to temporary, emergency assistance, and authorizes permanent restoration work only for Federal structures. This is a great hardship in some cases. There should be some provisions to explain Federal assistance on certain types of permanent restoration work.

It is sometimes said that some people will save taxes on disaster losses, but those individual savings will not be as large as is generally supposed. Such losses have to be applied first to the year's pretax income. It is only if the loss exceeds income that the excess can be "carried back" against the income of the preceding 2 years, with a possible tax refund.

The following table shows estimated losses from major disasters in the United States during 1951-55. It should be noted that it is difficult, if not impossible, to segregate hurricane and flood losses:

*Major disaster losses in the United States, 1951-54, 1955 preliminary*

[Not counting droughts]

[Property damage in millions of dollars]<sup>1</sup>

	1951	1952	1953	1954	1955 <sup>2</sup>	1951-55
Property damages:						
Floods and hurricanes (tropical storms).....	\$1,031	\$257	\$128	\$755	\$1,776	\$3,947
Tornadoes.....	30	35	224	28	31	348
Earthquakes.....	3	60	-----	1	-----	64
Total damages.....	1,064	352	352	784	1,807	3,459
Lives lost:						
Floods and hurricanes (tropical storms).....	51	57	42	193	231	574
Tornadoes.....	34	230	516	35	123	938
Major earthquakes.....	-----	13	-----	-----	-----	13
Total.....	85	300	558	228	354	1,525

<sup>1</sup> Figures rounded.

<sup>2</sup> 1955 estimates are preliminary and partly estimated. Large flood damages occurred in December 1955.

<sup>3</sup> Hurricanes often cause floods. In attempting to avoid duplication, the costs of these 2 disasters were combined for 1951-53 when hurricane damages were reported as small and flood losses large. For 1954 and 1955 the reported damages from hurricanes which included large flood losses were used.

Source: U. S. Congress, Senate, Committee on Banking and Currency, Federal disaster insurance, Staff study, 84th Cong., 1st sess. Committee print, Nov. 30, 1955. Washington, D. C., GPO: 1955. pp. 5, 37, 124, 133, 149.

Disasters hurt more people than their direct victims. By causing losses in incomes they reduce taxes collectible and by destroying factories, homes, and lives they weaken the strength of the whole Nation. It is high time the Congress enacts legislation to provide broader, more direct, and more permanent relief from natural disasters.

### Postal Policy

#### EXTENSION OF REMARKS

OF

**HON. W. KERR SCOTT**

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech on postal policy made during the recess by my distinguished colleague, the Senator from South Carolina [Mr. JOHNSTON]. I also ask unanimous consent to have printed also an editorial from this month's Progressive Farmer, Dr. Clar-

ence Poe's great southern farm journal, complimenting the Senator on his forthright stand regarding the so-called postal deficit.

There being no objection, the address and editorial were ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. OLIN D. JOHNSTON, OF SOUTH CAROLINA, DELIVERED AT THE ANNUAL MEETING OF ASSOCIATED THIRD CLASS MAIL USERS, THE MORRISON HOTEL, CHICAGO, ILL., SEPTEMBER 13, 1955

Ladies and gentlemen, your association was kind enough to invite me to be its speaker at Milwaukee in October 1952. I looked forward to that meeting, but unforeseen developments made it impossible for me to join you. I understand my very able colleague, Senator DENNIS CHAVEZ, of New Mexico, addressed you on that occasion.

When you met in Detroit in 1953, you were fortunate to have Senator FRANK CARLSON, of Kansas, as your speaker. I read the fine address he delivered on that occasion. Although Senator CARLSON and I belong to different political parties, we hold similar views regarding the need for an improved postal establishment. I can assure you that the members of our Senate Post Office and Civil Service Committee will continue their efforts to achieve a realistic, modern postal policy for the United States.

Your association's practice of inviting to its annual meetings speakers from the leg-

islative and executive branches of Government is a wise one. I know of no more complex or more misunderstood subjects than the creation of a modern postal establishment and the continuing request for higher postal rates. More often than not the preponderance of pressure on these issues is exerted by appointees in the executive branch. Since all wisdom does not reside in these public servants, the Congress is extremely anxious to recruit the ideas, the thinking and the cooperation of persons and business firms whose own livelihood, plus that of their millions of employees, depends on what we legislators do in Washington.

The Congress has refused to be stampeded into hasty and ill-advised action. It has stood firm in the face of the severest pressures by the administration to have legislation enacted divesting Congress of the rate-making power and hiking mail rates to ruinous levels.

The Constitution clearly directs that the Congress shall have full responsibility for United States postal policy.

You have my personal assurance that I will fight to the limit of my endurance to protect that prerogative.

Both major political parties are anxious that post office operations be modernized, that improvements long overdue be inaugurated. Unless we agree in the beginning that there are broad areas where economies can be achieved through modern business practices, it will be impossible to tackle the problem intelligently. Certainly we cannot legislate on postal rate legislation wisely until a sound course has been set for the Department. If, as many qualified observers believe, \$250 million can be saved by elimination of waste in the postal establishment, it is unfair to the taxpayer to do nothing about it and then require the users of the mails to pay for such waste through increased rates.

The keystone of the administration's present program is what they choose to call "temporary" rate increases. The enactment of this rate bill would only compound the ills which plague our postal service. There would be a declining volume of mail and, at the same time, a spiraling of postal costs. If Congress should relax its inquiry into postal problems, top officials would continue to ignore defects which are so costly and make for poor postal service.

A complete overhaul of the Department is in order. Like Barkis in David Copperfield, Congress is willing, yet all attempts to get under way have met with the firmest resistance by the present Postmaster General.

This is not simply political talk. It is not the natural aversion for one who foully characterizes my political party as "the party of treason." Testimony from all sides is available to show that Mr. Summerfield has played fast and loose with the facts to trick the public into believing that the postal establishment, under his guidance, has achieved almost revolutionary improvement.

There came a time a year or so ago when the Post Office Department was issuing press releases designed to convince the unwary that their management policies had produced savings of \$1 million each working day. I took them to task on that one. I simply pointed out that they had conveniently neglected to show that \$70 million of airmail subsidies had been transferred from Post Office accounts to the Civil Aeronautics Board, that \$36 million of franked and penalty mail, in a bookkeeping transaction, had been moved elsewhere. He neglected further to state that postal rate increases totaling over \$200 million ordered by the 82d Congress are also included in the million dollar a day savings.

In a speech at Buffalo on August 17, Mr. Summerfield stated: "You will recall that earlier I stated that the postal deficit was

\$727 million for the fiscal year 1952, the last full year before we assumed responsibility.

"In 1954, when the effects of new management policies were first reflected, the deficit was reduced to \$399 million. This is a 45 percent reduction in 2 years."

He never seems to be bored with claiming that his policies have reduced the postal deficit.

Sometimes I feel like taking him at his own word. I am inclined to say, "Mr. Summerfield, you are an amazing administrator. In only 2 short years you have lopped \$328 million off the postal deficit. Why, give you another 2 years to work your wonders and we will have this deficit licked."

In one of their first official appearances before a congressional committee, post-office spokesmen assured the House appropriations group they could achieve savings of \$200 million within 2 years. They have a very neat formula for postal economies. They ask the Appropriations Committees of the House and Senate for a certain amount of money to operate the Department, based on a predicted volume of mail in the ensuing year. Invariably the estimates of the volume of mail have been too high. Since the Department gets more money than it needs, it always has funds to turn back to the Treasury—although never quite equal to the overestimate of volume.

The most ridiculous waste of postal funds is the way the Nation is presently being bombarded with press releases.

But publicity will not solve the postal troubles.

Let me tell you of some things we have done about the postal problems and what we propose to do in the months ahead.

You will recall that the last Congress approved Senate Resolution 49. That measure provided for an investigation of the postal establishment under the guidance of a Citizens Advisory Council. The Advisory Council came up with some startling findings. They urged many reforms. They set the groundwork for a realistic, modern, business-like, efficient postal service. That report was severely criticized by the Department. Many of the suggestions have been adopted. On the major issues, however, the Department has refused to act. I was shocked when the work of the very fine Advisory Council under Senate Resolution 49 met with such strong opposition from the Department. If the major recommendations had been adopted, we would now have a sound postal policy.

As I have said, this is not a partisan issue. There have been Democratic Postmasters General, too, who failed to inaugurate needed reforms.

That the issue is bipartisan is best evidenced by the unanimous approval given both House and Senate resolutions in the last session of Congress to further investigate the postal service. Our Senate Post Office and Civil Service Committee is operating under Senate Resolution 33. I can assure you that we are not taking our task lightly. As agents of the United States Senate, we are expected to do as complete a job as possible and to make recommendations for the permanent improvement of the postal service. The Congress is anxious to dispose of this issue once and for all.

Here are some of the questions we will try to answer:

One. Is the manpower of the Department—500,000 employees in all—being utilized efficiently?

We know that postal workers are hard working and loyal Federal employees. For too long a period they were denied a rightful increase in their salaries. In spite of two Presidential vetoes of pay bills, they finally had their salaries hiked. I am as sure of this as anything: If we give them the tools, better supervision, more modern working conditions, they will outproduce anybody. Their morale has necessarily been low. Their top

boss has managed to convince a large segment of the public that the Post Office Department is the least important of Government agencies. The contrary, of course, is true.

That postal workers have continued working on so loyally in the face of the inability of Department officials to assess their true worth and the wonders performed by the postal establishment for the American economy is tribute to their tenacity.

Two. Is the postal service purely a business, or is it a service to all the people?

In this area, we have got to pin-point those services performed by the Department under legislative mandate at a calculated loss in the public welfare. We know, for instance, that only about 2,000 of the 40,000 offices take in sufficient revenue to meet their overhead.

We know that rural free delivery was established to serve millions of people remotely situated throughout America. The Congress knows that this service will never be able to show a profit. We should stop calling the cost of these needed services a deficit. Rural delivery is no different from the lighthouses operated by the Treasury Department. Shipowners do not pay a fee every time they pass one of them. They are operated at a calculated loss in the interest of better, safer shipping. The benefits of the postal service to the people are every bit as direct as is the lighthouse service to the ship owner and the sailor, and they do exist.

The Congress has established low rates on many categories of mail. In these instances the question of profit has been shoved aside. I refer, of course, to free mail for the blind, free-in-county newspapers, philanthropic, educational and religious mail.

Under our agreements with the Universal Postal Union, the United States knowingly takes a calculated loss.

There are many, many more such items. Added up, they cost many millions of dollars. They are worth-while services. They will be continued by the Congress. I enjoyed reading in one of your trade magazines, the Reporter, a short list of nonpostal services performed by the Post Office Department. Permit me to read from the article:

"The Armed Forces ask that relatives of deceased men be located.

"The Housing Administration asks that former tenants be found.

"The Treasury pressures the sale of savings stamps and documentary stamps.

"The Department of the Interior depends upon the post offices to sell bird-hunting stamps.

"The Veterans Administration asks that we deliver flags for veterans' funerals.

"The Civil Service requests that we supply blanks and information on every vocation from lens grinders to linguists.

"Charitable organizations ask that money be received and transmitted for Heart, Polio, and Cancer.

"We count doves for the Agricultural Department.

"We answer inquiries from Selective Service.

"We give applicants blanks for alien registrations and their changes of address for the State Department.

"Even the Federal Bureau of Investigation enlists our aid and the 1040's we give away for Uncle Sam.

"What would happen to the revenues, if every post office didn't have income-tax blanks available on January 1 to April 15?

"Widows and children are certified in January and July for continued pension benefits.

"The Post Office Department operates the biggest savings bank in the world. Money orders are sold and cashed in the most remote places. The big mail-order houses look impressive, and they are, but the little people in the little places, using the money-order and parcel-post services, make them possible and big."

"The Post Office Department is the Government agency which deals most closely with every American citizen."

The only difficulty is that when the Post Office Department incurs these expenses on behalf of the people, the term "deficit" is used. With respect to expenditures for all other Government agencies, the nicer word "appropriation" is employed.

Post Office Department officials have made a bogeyman of the postal deficit. If they would only announce—as they should—that their Department creates more in wealth, taxes, and employment than any other Federal agency, people would realize that for millions spent, billions are earned.

3. In the dull realm of accounting, statistics, regional management, classification, etc., our committee expects to uncover many glaring deficiencies.

4. The controversy over parcel post is another of the many questions our committee will examine.

The Hoover Commission hints that parcel post should be discontinued. The Railway Express people contend that parcel post competes with private enterprise. The Postmaster General, in effect, recommends repeal of Public Law 199.

Representatives and Senators, snowed under by the pros and cons of the fourth-class issue, are looking to our committee for some sound recommendations.

Our committee will be calling on many of you for help and guidance. We feel confident you will give us all-out cooperation.

These are just a few of the matters our committee and the House committee will look into. We fully expect that any recommendations we make to the Senate and House will be favorably received.

I suppose your own industry is the best evidence of how much good can be created by Government acting wisely in the people's interest.

Direct mail has been the subject of attack in the press and, sometimes, in the Halls of Congress. For the most part, these attacks have been unfair. Your very success has probably stimulated many of them.

I should like to outline some of the facts regarding third-class mail, not necessarily for your own edification but rather for those outside the industry who at some future time may read these remarks.

Many people have been led to believe that you are taking a free ride. They assume that it costs as much to handle a third-class letter as it does a first-class mailing. They fail to realize that the factors which prompted the creation of this category of mail warrant charging a lower rate of postage for it.

Back in the depression-ridden thirties someone figured out that there wasn't a sufficient volume of mail to keep each postal employee fully occupied for an 8-hour period. It was recognized that first-class mail doesn't flow in evenly all day. At certain peak periods it floods in. This first-class mail properly receives preferred treatment. During peak periods, every clerk was needed to speed first-class mail on its way. The job was usually completed in several hours. How to keep these clerks profitably occupied during slack periods?—whoever answered that question would raise revenues for the Department not otherwise obtainable. Lower rates during the evening hours paid off for the telephone and telegraph companies. Why not for the Post Office Department? The charge for a 50-word telegram at straight rates from Washington to San Francisco is \$3.45. The same 50 words at night rates, which received deferred service, cost only \$1.30. Why the lower rate? Overhead remains the same, and employees get higher rates of pay.

The answer was, of course, obvious. It was better to use these expensive facilities at a lower rate than not at all.

The same thing applies in other fields. You pay less to see a movie in the afternoon than at night. Natural gas companies often contract on the basis of lower rates during slack periods.

The reverse principle is sometimes applied. Barbers may charge more for children's haircuts on Saturdays. They figure the youngsters can come in after school any day when other customers are scarce.

It was this economic principle which prompted Congress to lower the minimum piece rate on bulk third-class mail to 1 cent. In order to qualify for the special rate, the mailer had to sort the mail into State and city bundles, face the letters on either side of the bundle, tie the bundles, use printed indicia or precanceled stamps (this eliminated the canceling indicia expense), place the bundles in mail sacks, and deliver them to the post office. All that was left to be done was to put the sacks on an outgoing train. In other words, the mailer himself had to do 7 of 11 expensive handling operations. These rules still apply to third-class mail. In addition, third-class mail is not handled until all other mail is out of the way. This category of mail is sort of a byproduct of the postal service, a fill-in operation, if you please, to keep valuable clerks busy in periods when they might otherwise be idle.

The results of this congressional action have been fantastic. The volume of third-class mail has increased from 4½ billion pieces in 1944 to 13 billion pieces in 1954. Direct mail today is the second largest advertising medium, surpassed only by newspapers.

This phenomenal growth of direct mail undoubtedly stems largely from the fact that countless small-business men have been able to use it profitably.

Large corporations have advertising budgets which permit nationwide television, radio, and magazine coverage. Direct mail permits the smallest company to market its goods in any or every part of the Nation on a small budget.

In this era of big-business mergers, it is essential that small-business men be encouraged and protected. A Democrat-controlled Congress will, as it has in the past, be always on the alert against efforts to destroy our Nation's greatest asset, its small-business men.

Only in the aggregate may it be said that you are big business. The vast outpouring of direct mail by the 250,000 bulk permit holders means millions of jobs for those creating the advertising and those Americans who produce the goods and services sold.

In 1944 the Post Office received \$62 million in revenue from third-class mailers. By fiscal 1955 the figure had reached \$250 million.

If we were to further raise the rate for third-class mail, we might very well set off a disastrous chain of events which would cause a reduced volume of such mail, unemployment, and lower taxpayments. As recently as July 1952, we raised the rate on third-class mail by 50 percent. I tried in that particular Congress to hold the increase to 25 percent, but without success. I am certainly opposed to increasing it the full 100 percent over the original 1-cent rate, as the Postmaster General wants to do.

It is highly doubtful that the overhead of the Department would be reduced to any extent if third-class mail were legislated out of the service entirely. The only sure result would be the loss of one-quarter billion dollars in revenue to the Department, aside from the economic hardships you businessmen would endure. Postal rates should not be changed until a sound postal policy has been established by Congress.

It has been a pleasure being here today. I only wish other Members of Congress had

an opportunity to meet with you in person, to learn of your business operations. Since all of you cannot get to Washington, you are well advised to continue your trade association there. When the Advisory Council was functioning during the last Congress, your director, Mr. Jack Tillotson, was a source of unending information. He worked as hard as anyone on the Advisory Council. He deserves a vote of thanks from all.

Your executive manager, Harry Maginnis, has cooperated fully with the House and Senate Post Office Committees. His testimony before the House group in July 1953 was a gem of logic presented in your behalf.

Senators and Representatives are busy considering many problems. It is particularly important, therefore, that associations such as yours continue to exist. We are constantly bombarded with propaganda from the executive branch of Government, and it is essential that we hear from you.

If ever the time comes when we hear only one side of the postal picture, I am afraid it will be a sad day for small-business men like yourselves.

I wish you a successful meeting. Keep the mail rolling. We will do all we can in Washington to keep you in business.

#### POST OFFICE DEPARTMENT: SERVICE OR BUSINESS?

The Post Office Department costs the Federal Government several hundred million dollars a year more than it receives from those who use the mails. The postal deficit has led to a demand for increased postal rates on the first-class mail, such as letters; on second-class material, such as magazines; and on circular letters and other third-class mail. You have also heard it claimed that present rates give a huge subsidy to those magazine publishers that deliver their publications to subscribers through the mail. Farm organizations have taken certain publishers to task for opposing subsidies to farmers, claiming publishers themselves are the recipients of millions of dollars in postal rate subsidies.

All this leads to some very pertinent questions that should be earnestly considered by all users of the mails, including Progressive Farmer subscribers.

Is the postal service purely a business, or is it a service to all the people?

If it is purely a business, then the logical thing to do is to insist that the Post Office Department put into effect every possible economy consistent with good service. Then charge the users of the mail what it costs to deliver it. But before you decide that the postal service is purely a business, let's see what services it gives, to whom they are rendered, and why they cost so much.

First off, Progressive Farmer readers should know that there are 40,000 post offices in the United States. And only about 2,000 of them take in enough revenue to meet their overhead costs. Perhaps your own post office is one that does not pay its way. Why then is it kept open? Certainly, not as a service to magazines, such as the Progressive Farmer. Monthly magazines can be delivered from 20,000 post offices just about as effectively as from 40,000. If you have a post office that costs the Government money, it is not as a favor to magazines. It is because the people in your community want it. It renders services they would not willingly give up.

The rural free delivery was established to serve millions of people living a good way out from town. Congress knows that it would be out of the question to raise rates enough for this service to show a profit. Yet, if the postal service is purely a business, shouldn't rural free delivery show a profit?

As Senator OLIN D. JOHNSTON, of South Carolina, chairman of the Senate Post Office and Civil Service Committee, so aptly illus-

trates, "We should stop calling the cost of these needed services deficit. Rural delivery is no different from the lighthouses operated by the Treasury Department. Ship owners do not pay a fee every time they pass one of them. They are operated as a calculated loss in interest of better, safer shipping. The benefits of postal service to the people are every bit as direct."

There are a number of categories of mail that are either carried free of charge or at very low rates. An enormous volume of official Government mail—correspondence and publications of Congress and all Government agencies, and organizations—is carried free. Other such mail carried free of charge or at low rates includes free-mail-for-the-blind, free-in-county newspapers, charity, educational, and religious mail. And there are many other nonpostal services performed by the Post Office Department from which it receives no revenue. Here are just a few of them; as listed by Senator JOHNSTON:

1. Relatives of deceased men in Armed Forces are located.

2. Former tenants are located for the Housing Authority.

3. Doves are counted for the USDA.

4. Post offices receive and transmit money for heart, polio, and cancer organizations.

All these services cost money. If they were rendered by any other department of the Government, their cost would be taken care of by congressional appropriations. But when the Post Office Department incurs them, they become deficits. And those who use the mails are held responsible.

There is nothing wrong in the Federal Government spending money for these good services. And it is entirely proper for the Government to have 38,000 money-losing post offices, if they are a service to people and the people want them and are willing to pay for them. But it is decidedly unfair to say that the cost of these services to all the people should be charged largely against the comparatively few concerns that must use the mails to conduct their business.

Is the postal service purely a business, or is it a service to all the people? Until this question is answered by Congress, there can be no sound basis on which to establish postal rates. If the Post Office Department is a service to all the people, it does not follow that publications such as the Progressive Farmer should be carried free of charge. But it should mean rates somewhat lower than are necessary for the Post Office Department to show a profit. And it would also be recognized that the deficits of the Department are not a subsidy to publishers, but rather a service to the people that creates more in wealth, taxes, and employment than any other Federal agency.

Insofar as the Progressive Farmer is concerned in postal rates, we can say this: If we have been subsidized by low postal rates, it has not gone into the pockets of Progressive Farmer owners. If we have received a subsidy, then that subsidy has been passed on to our subscribers in low subscription rates. We give 60 big issues of from 100 to 200 pages an issue for the low cost of \$2. That's 3½ cents an issue. To send a 176-page issue to a subscriber costs the Progressive Farmer 20 cents.

Three increases of 10 percent each were made in second-class postage rates in 1952, 1953, and 1954. The Progressive Farmer does not oppose further increases, if they are found necessary after Congress has established a sound fiscal and postal policy for the Post Office Department. But we do object to the continual agitation of the rate question by the Postmaster General and his attempt to make it appear that publishers are the recipients of huge Government subsidies.

## Grand Island, Nebr., the All-America City

### EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. MILLER of Nebraska. Mr. Speaker, I should like to make the following remarks about one of America's all-America cities, and to extend the same in the CONGRESSIONAL RECORD.

#### GRAND ISLAND, NEBR., THE ALL-AMERICA CITY

Last Thursday, January 5, 1956, the largest city in my congressional district celebrated a well-deserved honor. The occasion, high-lighted by national celebrities who are proud to claim Nebraska's third city as their home town, marked Grand Island's recognition as a Look magazine all-America city for 1955.

The idea that Grand Island might compete for this honor was suggested by the city manager. The chamber of commerce gave it impetus. An all-out community effort sold it.

The comprehensiveness of the community improvement program was remarkable, but most significant were these projects developed or realized in 1955: A \$4 million school bond issues; a Community Lutheran Hospital fund drive that brought in contributions exceeding \$400,000; a vigorous and expended youth recreation program, emphasizing little league baseball, a concerted drive to increase religious and church activity; and a new home for the Hall County Fair, pari-mutual horse racing, 4-H shows, and farm youth activities.

These accomplishments were the backbone of the case presented on May 5, 1955, to the National Municipal League in New York City by Walter P. Lauritsen, chamber of commerce president, and Chamber Secretary William E. Dauer.

Grand Island can be justifiably proud to receive the coveted Look magazine award, to be recognized as one of the 10 outstanding cities in the United States in 1955. More deeply, however, they can be proud of the people and the forward-looking community of individuals who made this recognition possible.

The mark of a good home town is its emphasis on the church, the school, and the home. Grand Island is a city of 25,000 people. There are 36 churches providing places of worship for their congregations. In the past 10 years, these churches have spent nearly \$2 million on new buildings, additions, and schools, and their membership has increased by nearly 10,000.

Grand Island, no different in this respect from many other cities and towns in America, was faced with a serious classroom shortage. The citizens rescued themselves. First, a campaign was conducted that led to a special building fund in 1947. Out of this fund came the wherewithal for urgent and immediate building. The long-range program was then agreed upon by a citizens planning committee, their cam-

paign was started and, with the untiring effort of an organized community, a \$4 million school-bond issue was approved by a near-record number of Grand Island voters. The \$2.7 million spent to date from this fund has gone a long way toward solving the third city's classroom problems, but these forward-looking people say "it has not completed the job," and pledge fulfillment.

New and beautiful homes have sprouted on practically every one of the hundreds of vacant lots that existed before World War II. In 1953 alone more than \$5 million was spent on new home and dwelling construction, and in the 10 years following World War II, nearly 2,000 homes have come into being at a cost of more than \$20 million. This home-growth record undeniably influenced the selection of Grand Island as an all-America city.

Many other community projects deserve praise: Beautiful new Fonner Park, internal improvements to streets, water and sewer systems, outstanding hospitals, commercial air service, and many others. It was this atmosphere of progress and achievement that induced at least six large industries to take notice of the prospecting in 1955 campaign of the chamber of commerce, and locate plants in Grand Island. This, and the inherent assurance that in Nebraska there is a labor supply of men and women who will do a day's work for a day's pay.

Grand Island's beauty is not confined to its homes, churches, or schools, or even the community spirit that evolves from a united and common campaign. The ethereal qualities of two daughters of Mr. and Mrs. Forrest Ritchie, of that city, last year received national recognition. Sharon Kay Ritchie is Miss America for 1956; her sister, Mrs. Donna Jo Strever, was a finalist in last year's Miss Universe contest.

No wonder its splendid citizens say "It's grand to live in Grand Island."

## Consumer Gas Bills

### EXTENSION OF REMARKS

OF

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. VANIK. Mr. Speaker, in yesterday's newspapers I was dismayed to learn of the introduction of legislation by Senators MONROE, FULBRIGHT, ANDERSON, and DANIEL which would require the Washington Gas Light Co. to print on its monthly consumer bills a breakdown statement to show how much of the bill goes to the distributing company, the pipeline and the producer. This legislation is propounded in part to point up the smaller portion of the bill representing production.

The obvious purpose of this legislation is more sinister than sincere and purports to take punitive action against this

company for joining the Council of Local Gas Companies in a legitimate protest against the Harris-Fulbright gas steal bill.

The technique is completely in keeping with the resolution to investigate the distributors of natural gas because of their opposition to the Harris bill in the House last summer.

The Congress of the United States is no place for vindication and recriminations—it is a place for sober and conscientious deliberation.

I am proud of the forthright courage of the gas distribution industries to resist the efforts of the oil and gas industry to run roughshod over the interests of the gas-consuming public.

The records and cost figures of the distribution of natural gas in the Washington area as well as the other gas-consuming areas are public records—open for public scrutiny. The gas-consuming public in any given area has the right to inquire, investigate and dispute a gas rate before its utility commission and in the courts. It is that very right which the Harris-Fulbright bill seeks to take away from the public with respect to gas production. The measure is no giveaway—it is the "takeaway" of 1956.

It is my earnest hope that the Senate will exercise more wisdom than the House on this measure and defeat it for all time.

**Address Delivered by Hon. Barry Goldwater, of Arizona, Before the National Association for the Advancement of Colored People**

**EXTENSION OF REMARKS  
OF**

**HON. BARRY M. GOLDWATER**

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered before the National Association for the Advancement of Colored People at Tucson, Ariz., on October 12, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Three years ago, I met with this organization in Tucson. I answered specific questions as to my position in regards to governmental policies that effected the Negroes of America, and my answers to these questions indicated to you, I believe, that I was wholeheartedly in sympathy with the program outlined, at that time, by our candidate for President, Mr. Eisenhower.

I believed then, and I believe now, in the equal dignities of all our people, whatever their racial origin or background may be. I believe in their equal right to freedom and opportunity and benefits of our common citizenship.

I am happy to be able to stand here tonight and report to you the accomplishments of this administration, in the field of what we might call civil rights. Actually though, it is a report on what has been accomplished for all Americans, because I don't think we should continue to look on Americans as a

nation of minorities and majorities, but rather as a nation dedicated to the proposition that all men are created equal and that they are endowed by their Creator with certain inalienable rights, and that among these, are life, liberty, and pursuit of freedom. I believe that we should recognize in these words of Jefferson, the source of our freedom and the fact that freedom given by God is given to all people whether they be white or black, or Catholic, Protestant, or Jew.

These accomplishments have been American accomplishments and I am proud to have participated in bringing them about. In these accomplishments we find the fulfillment of promises made to all American people in 1952 and I would like to indulge you for a few moments in a recitation of these accomplishments.

1. A Republican administration will win an honorable and just peace.

The Korean war ended shortly after President Eisenhower was inaugurated. Servicemen who had been prisoners of war for as much as 3 years were brought home to their families. Not since that time has it been necessary for mothers and wives to send their sons or husbands to war.

2. A Republican administration will end segregation in the Nation's Capital.

By agreement with the administration, racial restrictions were lifted in theaters, hotels, and all other public places during Inauguration Week, beginning January 19, 1953. Most places of business cooperated. It was understood that while it would not be advertised (even after the inauguration), if Negroes presented themselves they would be accepted. With few exceptions, this plan of action was carried out. In August 1953 racial bars were dropped officially. Negroes now attend theaters, restaurants, and other public places, as well as public schools, in the District of Columbia. There has not been one reported incident as a result of the general integration. The Bell Telephone Co., Capital Transit, and other private industries are hiring colored employees on all levels. This is the result of the work of the President's Committee on Government Contracts, which has worked quietly but diligently to eliminate the evils of segregation and discrimination in hiring.

All recreational facilities are now operated on a nonsegregated basis.

Segregation among District of Columbia employees has been eliminated, even to the controversial Fire Department, which was an issue for so many years.

The District of Columbia public housing (National Capital Housing Authority) program is now operating on an integrated basis.

Civilian as well as uniform personnel are included in the integration program on all bases and in all departments of the District of Columbia government.

3. A Republican administration will stop bias and Jim Crow in Federal departments and bureaus, which the Democrats have not done.

On January 18, 1955, the President created, by Executive order, the President's Committee on Employment Policy, which automatically abolished the old Fair Employment Board. This Committee has increased in stature and reports directly to the President. Its purpose is to look into and straighten out problems on racial discrimination in the various executive departments.

When this administration took office there were many areas in which Negroes were not employed above a messenger; in some few there were none whatsoever. These inequities have been practically eliminated—opening up unlimited opportunities to youth—men and women all over America. No longer can it be said that our great sacrifices for education and preparation for participation in the American way of life are futile.

When President Eisenhower took office nearly half of the Negro units were still

intact in the Army. Today, there are none. Over three-fourths of the Negroes in the Navy were in mess halls as servants when President Eisenhower took office. This system has been eliminated, and they are now serving in all branches of the Navy on an integrated basis.

All segregated schools at Army, Navy, and Air Force installations had been eliminated by the administration long before the Supreme Court handed down its decision against segregated schools.

There is no segregation in naval installations in the South; cafeterias, restrooms, and drinking fountains were all separate when the Republicans took over our Government in 1953.

Racial segregation has been eliminated from all the veterans' hospitals in the South, a feat said to have been impossible whenever this subject was discussed.

4. A Republican administration will make Negro Federal appointments of real importance, commensurate with the demonstrated ability of Negroes, as it did when in power before.

This is one of the brightest spots of this entire administration. Negroes are serving in administrative positions in practically every department of Government—many on a policymaking level, such as:

J. Ernest Wilkins, Assistant Secretary of Labor, the first Negro subcabinet officer. Wilkins was first appointed Vice Chairman of the President's Committee on Government Contracts, and as a result of his outstanding ability was chosen by Secretary of Labor Mitchell to be one of his assistants;

Scovel Richardson, Chairman of the Federal Parole Board—the first and only Negro ever to be appointed to the Board;

E. Frederic Morrow, Administrative Officer for the Special Projects Group in the Executive Office of President Eisenhower, promoted from Adviser on Business Affairs in the Department of Commerce;

Hon. Charles H. Mahoney, lawyer and insurance executive, first full delegate to the United Nations;

Marron W. Fort, Light Chemical Engineer in Israel under the Foreign Operations Administration (International Cooperation Administration) program, first to have ever served in such capacity;

Archie Alexander, Governor of the Virgin Islands;

Richard L. Jones, Ambassador to Liberia, who was first appointed Chief of Mission for Foreign Operations Administration (ICA);

Joseph H. Douglass, Special Representative of the Secretary of Health, Education, and Welfare;

John W. Roxborough II, Consultant to the Secretary of State;

Dr. Frank Snowden, Cultural Attaché, United States Embassy, Rome, Italy;

Samuel Pearce, Assistant to the Under Secretary of Labor;

Joseph Clark, Special Assistant to the Assistant Postmaster General;

Vernon Greene, Assistant General Counsel, Post Office Department;

Joseph Birch, member of the legal staff in the Fraud Division, Post Office Department;

Hon. Archibald J. Carey, Alternate Delegate to United Nations—and now Vice Chairman of the President's Committee on Employment Policy.

Attorney Julia Cooper, member of the legal staff of the Justice Department—was transferred and promoted from the legal staff of the General Services Administration. She was the first Negro to serve in the Legal Division of the General Services Administration, and is the first woman to serve in the Criminal Division of the Justice Department;

Brig. Gen. B. O. Davis, Jr., United States Air Force, is the first colored brigadier general in the Air Force;

Alexander Laneuville, Special Assistant in the Office of Veterans' Administrator

stationed in New Orleans—the first Negro to serve in such a capacity in the South;

Dr. Francis Hammond, Information Specialist, United States Information Agency;

Frank Walker, Administrative Aid in Postal Transportation in New Orleans—the first to serve in such a capacity in the South;

Attorney George E. C. Hayes, Chairman of Public Utilities Commission for the District of Columbia, is the first Negro to receive a Presidential appointment on any commission in the District of Columbia;

Joseph Ray, Racial Relations Adviser to the Administrator of Housing and Home Finance Agency;

Phillip Sadler, Racial Relations Adviser, Public Housing Administration;

Joseph Rainey, information specialist, Housing and Home Finance Agency—this is a first;

Carmel Carrington Marr, area advisor on the staff of Ambassador Henry Cabot Lodge, Jr., the first and only Negro ever to serve in such a capacity;

L. B. Toomer, Register of the Treasury, the first to be so appointed since the administration of President William Howard Taft, also a Republican.

5. A Republican administration will appoint a Negro to an administrative office in the White House.

With the appointment of E. Frederic Morrow to the White House staff the 14-point program of campaign promises to minorities has been fulfilled. With still a year and a half to go in his first term, President Eisenhower will move on from here to attain greater rights and freedoms for all of us. A continuing program for the good of our great country and all its citizens can be expected as long as President Dwight D. Eisenhower, with his high religious and democratic concepts of the dignity of man, remains in the White House.

6. A Republican administration will make it possible for Negroes—not just one Negro, as now—to be placed in policymaking jobs in governmental agencies.

Of the more than 250 appointments by the Republican administration, such men and women as J. Ernest Wilkins, E. Frederic Morrow, Joseph Ray, Scofield Richardson, Joseph Douglass, Samuel Pierce, Richard L. Jones, George Maceo Jones, Charles Mahoney, Archibald J. Carey, Jr., Roberta Church, Carmel Carrington Marr, and others are on a policymaking level. This is a positive unmistakable demonstration by President Eisenhower and the Republican Party that the qualifications and ability of men and women of all races is the yardstick by which appointments are made. The color of the skin no longer is a barrier.

7. A Republican administration will strengthen the civil-rights section of the Justice Department.

In this particular field the administration has been outstanding. The Justice Department has been relentless in its attacks on the offenders of the civil rights of others; for example:

(a) In 1954 prosecution of the Ku Klux Klan in Florida and the Carolinas resulted in the conviction of nine North Carolina klansmen under the Lindbergh kidnap law. This brought a total of 40 convictions for floggings of citizens by lawless Kluxers who were taking many of their victims across State lines.

(b) In Alabama, Fred and Oscar Dial were convicted of peonage and sentenced to 18 months in prison. They would buy prisoners out of jail, then hold and work them for nothing on their plantation. One victim died after a beating inflicted upon him by one of the brothers.

(c) The courts upheld the Justice Department's contention that flogging is a crime under the Federal civil-rights laws in all State institutions. Thus there can be no more flogging of prisoners.

(d) The courts upheld the Justice Department's contention that civil-rights statutes pertain to Federal officers as well as those of States and municipalities. This resulted in the first conviction of a Federal employee for brutal treatment of a member of a minority race.

One of the most effective measures on the civil-rights front instituted by the Justice Department has been the inauguration of a program of indoctrination and preliminary training of all United States attorneys appointed by President Eisenhower. This was followed up by close liaison and direct supervision in civil-rights cases.

The new procedures have been very valuable in eliminating many of the misunderstandings and problems which existed in the civil-rights field in the past.

8. A Republican administration will not be tied down by a southern anti-Negro bloc in control of Congress and committees.

The 83d Congress was headed by Republican leaders. The committees were chaired by northern and western Republicans. We saw no such disgraceful performance as in the present Democratic Congress, when the chairman of a District of Columbia Subcommittee, Representative JAMES C. DAVIS, of Georgia, conducted hearings for the sole purpose of ending the integration program in the Fire Department, which had been placed in operation by the Eisenhower administration; nor the disgraceful spectacle of one Democratic Congressman, ADAM CLAYTON POWELL, being attacked physically by a southern Democrat, Congressman CLEVELAND M. BAILEY, of West Virginia, in a committee meeting just because he insisted that the constitutional rights of Negroes be protected in the school-building program.

9. A Republican administration will be able to better enforce the antibias laws already on the books, but seldom invoked by prejudiced white officers.

All instances of encroachment on constitutional rights of Negro citizens anywhere in the United States have been investigated by the Justice Department and action taken to correct these abuses; for example, the quick action and fervor with which the FBI is investigating the murder of Rev. George Lee in Belzoni, Miss., has seldom been equaled in its history.

10. A Republican administration will really enforce the nondiscriminatory clauses of the Taft-Hartley Act which will break the grip of negrophobic labor unions.

A magnificent job has been done in this field; slowly but surely Negroes are being employed in all occupations. This has been done through the President's Committee on Government Contracts. The Capital Transit, the Chesapeake & Potomac Telephone Co., and many others are now hiring Negroes. The Armour Meat Packing Co. is now hiring colored white-collar workers. Many labor unions that formerly barred Negroes now include them as members.

11. A Republican administration will reduce taxes.

Taxes were reduced by the Republican Congress nearly \$7½ billion. This is the largest tax cut ever given. This is the first substantial cut made by our Federal Government since 1948 when the 80th Congress, also Republican led, cut taxes \$5 billion.

12. A Republican administration will protect the basic freedom of all people and stop the trend toward all powerful and costly centralized government.

This administration has reversed the 20-year trend toward centralization of power in Washington. Free enterprise is again operating full steam ahead, and we now have the greatest prosperity in the history of our country. More people are working than ever before, over 64 million workers are averaging over \$70 per week take home pay. Thus more people benefit from this great

prosperity than in any other period of history.

13. A Republican administration will not arouse false hopes of Negroes by promising what it never intends to deliver.

Candidate Eisenhower made no wild promises on civil rights. His approach has been one of action, not words. Every move has been directed toward the complete elimination of every vestige of segregation and discrimination in American life with first-class citizenship for all as a goal.

It would be an easy matter for me to stand here tonight and give the Republican Party full credit for these achievements, but in effect the people of America deserve an equal share in this instance. Inherently, an American has a sense of fair play and they realize that all of us are bound in a common destiny, namely, our spiritual faith in the dignity of all men under God. The achievement of this dignity rests with the individual and not with a bureaucratic Federal Government. Given the opportunity, all Americans who possess initiative and courage and a faith in our fundamental strength can achieve and maintain the dignity of material success, but more importantly he can retain that dignity granted him as a free child of God if he but does unto others as he would have them do unto himself.

### Too Poor For Defense?

#### EXTENSION OF REMARKS OF

#### HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. PRICE. Mr. Speaker, we have been warned by the President of the United States that Soviet Russia and Red China continue to pose a serious threat to the free world. The threat is heightened by Soviet achievements in nuclear research, in technology, and in aircraft production. The air-atomic balance between the United States and the Soviet Union is tilting precariously, for us, in the direction of the Communist bloc in Europe and Asia. Marshal Bulganin has himself boasted that the Soviet armed forces would soon have an intercontinental ballistic missile. By now we should have learned that Soviet boasts usually precede by a narrow margin our own discovery, through intelligence channels, of Soviet accomplishments.

It was only a few years ago that Secretary of Defense Wilson pooch-pooched research as something that discovered why potatoes turn brown when they are cooked. Fortunately, Mr. Wilson was persuaded not to cancel all research being conducted by our Armed Forces, and after considerable unnecessary delay, we are now really getting somewhere in guided missile research and development.

Whether we are keeping up the production of manned aircraft and conventional weapons at a rate sufficient to insure our defense until we have better guided missiles, is another question. The answer is not reassuring. Soviet output is now far ahead of American output in 3 of the 4 major categories of combat aircraft, day fighters, night fighters, and long-range jet bombers. In fact, the only category in which they are not

ahead of us is medium range jet bombers. We got a head start with our B-47, and still maintain a lead in the production of this type of plane, which is the backbone of our Strategic Air Command's striking force.

These facts have caused hardly a ripple in the American attitude toward defense, because of public ignorance and the failure of responsible officials to correct it. Fortunately, if no truthful announcements come from the Pentagon, they still leak to Congress and the public. The periodic reporting of Mr. Joseph Alsop and his brother, Mr. Stewart Alsop, help to correct the situation in respect to vital information, though admittedly no individual outside the Government can command the attention—with the authority—of an administration spokesman.

We have now had a report on the state of the Union. We await with eagerness the President's budget message. But we wait with foreboding. The Alsops tell us that "one of the great secret dramas of the struggle over this year's budget was caused by General LeMay's bold demand for an urgent program to produce no less than 1,900 B-52's" to replace the B-47 and to bring us up to Soviet production of their comparable Bison, which they are producing at the rate of 13 per month.

If the commanding general of the Strategic Air Command lost out in getting this recommendation into the budget, it need not follow that his recommendation be ignored in the appropriations bill for 1957 which it is the responsibility of this Congress to prepare. And an appropriation for these heavy bombers of true intercontinental range need not be omitted—unless the richest country in the world is still too poor to pay for its own defense.

Mr. Speaker, I call my colleagues attention to two articles—the first of a series—by Joseph and Stewart Alsop, reporting current changes in the balance of strength between the U. S. S. R. and the United States of America. These articles appeared in the New York Herald Tribune of January 2 and 4, 1956, and have been inserted in the CONGRESSIONAL RECORD by the distinguished Senator from Missouri, the Honorable STUART SYMINGTON. They appear in the RECORD of January 9 on page 238. Every Member of Congress should read these articles.

### Iowa Businessmen Demand Economic Justice for Farmers

#### EXTENSION OF REMARKS

OF

**HON. H. R. GROSS**

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. GROSS. Mr. Speaker, more and more businessmen in Iowa cities and towns are feeling the affects of the serious and unwarranted economic punishment that has been visited upon Iowa farmers. The merchant on Main Street

realizes that the success or failure of his business depends to an important degree on the financial well-being of agriculture.

Mr. Speaker, there is a job to be done, and immediately. The time is long overdue for emergency, remedial action to assist the farmers of this Nation. Early last fall I urged the Secretary of Agriculture to use his authority to put an emergency floor under livestock prices. His only response has been a too-little and too-late pork buying scheme which has been a dismal failure. To that, thousands of hard-pressed Iowa farmers can attest.

If the Secretary of Agriculture persists in his steadfast refusal to take effective action on his own, this Congress must act. Without regard to politics, immediate passage of legislation may be necessary to put an emergency floor of \$18 under top hogs and \$25 under choice cattle at Chicago. We simply cannot permit another crop of hogs to go to market this spring at the bankrupt prices paid in the fall.

This must be followed with long range legislation to provide the farmer cost of production prices for his products in the market place. In this regard, I have introduced a cost of production farm bill (H. R. 8128) which I commend to the attention of all Members interested in the economic welfare of agriculture and our Nation as a whole.

Mr. Speaker, as part of my remarks, I want to include an excellent resolution approved by the board of directors of the Clear Lake (Iowa) Chamber of Commerce. Clear Lake is a progressive community in the heart of an important agricultural section of my district. The resolution, which clearly recognizes the seriousness of the present situation on Iowa farms, is as follows:

Whereas the board of directors of the Clear Lake Chamber of Commerce fully realizes the great importance of the farmers in the Clear Lake trade area to Clear Lake merchants, and

Whereas the directors note with concern the continued downward trend of farm prices which is taking place while the prices of the articles the farmer has to purchase is rising; and

Whereas recent predictions by some leading economists indicate a further drop in farm income in 1956, but a continuing increase in other business; and

Whereas no evidence is noted that anything concrete has been done in Washington to alleviate and correct the above discrepancies; be it therefore

*Resolved*, That we, the said board of directors of the Clear Lake Chamber of Commerce, in meeting assembled in Clear Lake this third day of January 1956, do hereby urge the administration and Congress to immediately put into effect such temporary measures as may be necessary to assure farmers of fair hog and cattle prices during the present emergency; and be it further

*Resolved*, That we urge the administration and Congress to prepare, pass, and put into effect with as much celerity as circumstances will permit, legislation that will assure farmers of equitable prices for their products in times of maladjustment without instituting any permanent controls that would limit their freedom of operations and opportunity; and be it further

*Resolved*, That copies of this resolution be forwarded to President Eisenhower, Secre-

tary of Agriculture Benson, Senators Hickel and Martin, to Congressman Gross, to Governor Leo Hoegh, to Cerro Gordo County Farm Bureau officials and to Clear Lake and Mason City newspapers.

In witness whereof, the following officers of the said organization hereto attach their signatures.

S. T. THOMPSON,  
President.  
G. W. WILCOX,  
Vice President.  
JAMES R. SMITH,  
Managing Secretary.

In addition, Mr. Speaker, I want to include as part of my remarks an explanation of the cost of production farm bill which I have introduced:

**PROVISIONS OF COST OF PRODUCTION FARM BILL  
INTRODUCED IN HOUSE OF REPRESENTATIVES  
ON JANUARY 5, 1956, BY CONGRESSMAN H. R. GROSS**

1. Cost of production plus a reasonable profit to farmers on that portion of crops consumed domestically. Cost of production prices, to be established for each farm product by the Secretary of Agriculture following public hearings by farm organizations and other interested parties, will account for all production expenses, including hired and family labor, interest, taxes, depreciation, soil depletion, 4 percent on investments, and compensation to average farm operator equivalent to average weekly earnings of the industrial worker as found and determined by Secretary of Labor.

2. Cost of production prices to be paid at and by the market place, not by the Federal Government.

3. No acreage allotments. Each farmer shall determine his own acreage and what he wants to plant, and shall have a chance to sell his surplus, if any, on world market at world price, but cost of production prices to farmers will be high enough to insure a good income without having to produce back-breaking surpluses.

4. Cost of production prices and amounts of each crop needed for total domestic consumption, a reasonable reserve, and export, to be announced by the Secretary of Agriculture once a year in advance of planting season, and will apply farm-by-farm. For example, if the Secretary announced that five-sixths of the Nation's corn crop will be needed for domestic consumption, each farmer will be allowed the cost of production price for five-sixths of his corn crop.

5. Competing foreign farm products can be imported into the United States only if importer pays 5 percent above prevailing United States cost of production prices. (Department of Agriculture figures show that for the first nine months of 1955 only, foreigners shipped into this country 90,700,000 pounds of beef and 124,148,000 pounds of pork products or a total of 214,848,000 pounds of meat. To this must be added 240,135 head of live cattle, mostly from Mexico. A substantial share of foreign canned ham came from Communist Poland. Aside from the live animals, every pound of these imported meat products displaced a market for United States feed grains. This is a fantastic situation and must be stopped.)

6. Commercial buyers of farm products to be licensed and must pay, under penalty of law, cost of production prices on products needed for domestic consumption.

7. This bill covers any and all kinds of poultry, livestock, and any product of the soil, and any product or byproduct thereof, produced in the United States, in an unmanufactured or unprocessed state, which have a farm value in excess of \$30 million during the preceding marketing year.

It is difficult to believe that farmers, assured cost of production for the major portion of their crops, would wear out machin-

ery, themselves and their families to produce unmanageable surpluses which they would be compelled to market at world prices. It is the conviction of many that this cost of production bill, translated into income to the farmer, would go far toward stabilizing the economy of the Nation because it would assure farmers buying power for products of industry, creating more income for industry and more jobs for those who in turn could buy more of the products of agriculture. A dollar of farm income generates approximately \$7 in national income. Agriculture is the Nation's basic economy. Every depression or period of prosperity has begun on the farm.

The cost of production bill I have introduced (H. R. 8128), is a long-range program. It in no way obviates the absolute necessity for immediate emergency action on the part of President Eisenhower and Secretary Benson, who have always had administrative authority and ample money available to stabilize livestock prices at levels which would have prevented a farm depression pending the establishment of machinery that would provide economic justice to agriculture.

### Results of McGregor Poll on National Issues

#### EXTENSION OF REMARKS

OF

**HON. J. HARRY MCGREGOR**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. MCGREGOR. Mr. Speaker, under permission to extend my remarks, I would like to place in the RECORD the results of a questionnaire I sent to the citizens in the 17th Ohio District of whom it is my proud honor to represent in the Congress of the United States. The questions were concerned with pertinent national and international problems facing Congress today.

I regret I could not send a questionnaire to each of my constituents in the district but it is my belief that the replies received represent the opinions of a cross section of those I represent. In the questionnaire I ask them to list their occupation or profession. This gives me the opportunity to tabulate them as separate groups, which in turn, helps me obtain a more complete analysis of their thinking. Especially gratifying to me is the large percentage of the completed forms which contain comments on the questions and proves to me that the average constituent of my district is interested in the important issues now before this legislative body and is anxious to express his views on them.

The population of my district is composed of about half rural and half urban with nearly all of the labor and farm organizations represented as well as large and small business. Included also are 2 colleges and 2 universities. Through the medium of this questionnaire I feel that I have gained the majority opinion of those I represent.

The questionnaire and the results are as follows:

#### A QUESTIONNAIRE

In an endeavor to learn the views of the "folks back home" relative to several sub-

jects of national importance that will be before the next session of the Congress, may we have your considered opinion?

#### THE FARM PROGRAM

Which plan do you favor?

(a) 100 percent price support with acreage control. Yes, 0.7 percent; no, 99.3 percent.

(b) Flexible price support with acreage control. Yes, 37 percent; no, 63 percent.

(c) Elimination of all price supports and acreage controls. Yes, 54 percent; no, 46 percent.

#### THE TAX REDUCTION PLAN

Which plan do you favor?

(a) A uniform (percentage) tax reduction for all. Yes, 50 percent; no, 50 percent.

(b) An increase in the amount allowed for each dependent. Yes, 47 percent; no, 53 percent.

#### TARIFF ON IMPORTS

Do you favor?

(a) Tariff rates be increased on manufactured items brought into this country. Yes, 48 percent; no, 52 percent.

(b) Tariff rates be increased on agricultural products brought into this country. Yes, 60 percent; no, 40 percent.

Signature \_\_\_\_\_  
Street \_\_\_\_\_  
City and State \_\_\_\_\_  
Occupation \_\_\_\_\_

Please fill out and return this questionnaire to: J. HARRY MCGREGOR, Member of Congress, 1434 New House Office Building, Washington 25, D. C.

#### Percentage distribution of replies to questionnaire

#### THE FARM PROGRAM: WHICH PLAN DO YOU FAVOR?

[Percent]

	Yes	No
(a) 100 percent price support with acreage control:		
Total replies.....	0.7	99.3
Attorneys.....	.7	99.3
Business, industry, and salesmen.....	.1	99.9
Farmers.....	23.0	77.0
Housewives.....	.4	99.6
Labor.....	.7	99.3
Ministers.....	0	100.0
Occupation not given and organizations.....	.5	99.5
Professionals.....	.4	99.6
Public officeholders and Federal employees.....	.6	99.4
Retired.....	.2	99.8
Teachers.....	.5	99.5
Students.....	26.0	74.0
(b) Flexible price support with acreage control:		
Total replies.....	37	63
Attorneys.....	38	62
Business, industry, and salesmen.....	41	59
Farmers.....	17	83
Housewives.....	15	85
Labor.....	35	65
Ministers.....	50	50
Occupation not given and organizations.....	20	80
Professionals.....	42	58
Public officeholders and Federal employees.....	40	60
Retired.....	33	67
Teachers.....	64	36
Students.....	66	34
(c) Elimination of all price supports and acreage controls:		
Total replies.....	54	46
Attorneys.....	56	44
Business, industry, and salesmen.....	60	40
Farmers.....	63	37
Housewives.....	77	23
Labor.....	60	40
Ministers.....	37	63
Occupation not given and organizations.....	60	40
Professionals.....	50	50
Public officeholders and Federal employees.....	61	39
Retired.....	64	36
Teachers.....	24	76
Students.....	19	81

#### Percentage distribution of replies to questionnaire—Continued

#### THE TAX REDUCTION PLAN: WHICH PLAN DO YOU FAVOR?

	Yes	No
(a) A uniform (percentage) tax reduction for all:		
Total replies.....	50	50
Attorneys.....	56	44
Business, industry, and salesmen.....	55	45
Farmers.....	60	40
Housewives.....	48	52
Labor.....	60	40
Ministers.....	52	48
Occupation not given and organizations.....	75	25
Professionals.....	66	34
Public officeholders and Federal employees.....	33	67
Retired.....	53	47
Teachers.....	34	66
Students.....	72	28
(b) An increase in the amount allowed for each dependent:		
Total replies.....	47	53
Attorneys.....	46	54
Business, industry, and salesmen.....	52	48
Farmers.....	51	49
Housewives.....	43	57
Labor.....	52	48
Ministers.....	34	66
Occupation not given and organizations.....	18	82
Professionals.....	37	63
Public officeholders and Federal employees.....	66	34
Retired.....	41	59
Teachers.....	64	36
Students.....	48	52

#### TARIFF ON IMPORTS: DO YOU FAVOR?

(a) Tariff rates be increased on manufactured items brought into this country:		
Total replies.....	48	52
Attorneys.....	30	70
Business, industry, and salesmen.....	45	55
Farmers.....	50	50
Housewives.....	43	57
Labor.....	80	20
Ministers.....	36	64
Occupation not given and organizations.....	40	60
Professionals.....	46	54
Public officeholders and Federal employees.....	50	50
Retired.....	46	54
Teachers.....	33	67
Students.....	76	24
(b) Tariff rates be increased on agricultural products brought into this country:		
Total replies.....	60	40
Attorneys.....	50	50
Business, industry, and salesmen.....	60	40
Farmers.....	63	37
Housewives.....	63	37
Labor.....	69	31
Ministers.....	43	57
Occupation not given and organizations.....	65	35
Professionals.....	60	40
Public officeholders and Federal employees.....	84	16
Retired.....	72	28
Teachers.....	58	42
Students.....	51	49

### The Communist Conspiracy

#### EXTENSION OF REMARKS

OF

**HON. JOSEPH R. MCCARTHY**

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. MCCARTHY. Mr. President, I ask to have printed in the CONGRESSIONAL RECORD the following letters and press releases regarding the Communist conspiracy:

Letter from me to the President of the United States dated August 24, 1955.

Letter from me to the President dated September 21, 1955.

Letter from me to the senior Senator from Arkansas [Mr. McCELLAN] dated November 2, 1955.

Press release from my office dated November 9, 1955.

Another release dated November 13, 1955.

Another release dated November 25, 1955.

Letter from me to the senior Senator from Missouri [Mr. HENNINGS] dated November 29, 1955.

Letter from me to the Senator from Tennessee [Mr. KEFAUVER] dated December 2, 1955, copies of which were sent to Governor Averell Harriman of New York and Hon. Adlai Stevenson.

Letter from me to the Attorney General dated December 16, 1955.

Letter from me to the senior Senator from Arkansas [Mr. McCLELLAN] dated December 16, 1955.

There being no objection, the letters and releases were ordered to be printed in the RECORD, as follows:

AUGUST 24, 1955.

The PRESIDENT,

*The White House,  
Washington, D. C.*

DEAR MR. PRESIDENT: Your administration claims to have brought prosperity to the country. I think there is an important sense in which this is untrue.

Some areas of the economy are, thanks to huge Government expenditures on our defense and foreign-aid programs, quite prosperous. But the prosperous times being enjoyed by industry and labor are not being shared by the farm community. A boom in industry exists side by side with a depression in agriculture.

In such circumstances it is difficult for the farmer to take your administration's prosperity claims seriously; before long the falacy will be brought home to the whole country. For prosperity in America is indivisible: we cannot have an unhealthy farm community without the disease soon spreading to the rest of the economy. As you know, the great depression of 1929-39 was preceded by a depression on the farms, and was caused in large measure by depressed farm prices with consequent loss in farmers' purchasing power.

The current farm depression is not only being tolerated by your administration; it is a direct and predictable result of your administration's farm program, which I can only describe as one of persecution of the farmer. Although I cannot imagine why this should be the case, it seems to me that your administration is engaged in open war against the farm community.

My feelings might be considerably different if your administration's farm program reflected a general economic policy, consistently applied to all segments of our economy. I would, that is to say, understand—and to a large extent sympathize with—a determination by your administration to reestablish throughout the economy the free-enterprise system, and to restore, gradually, to all aspects of our economic life the sovereignty of the free market place.

But your administration has shown no such inclination, except with respect to the farmers. As you well know, the Federal Government continues to give subsidies, directly or indirectly to industry and labor—so that there is probably not a major industry existing today that would not suffer serious dislocation if the Government were to single it out and force it to compete in an otherwise subsidized economy. The various subsidies to the nonagricultural elements of the economy have resulted in incomes to these elements, that have, in nearly every

case, kept pace with national income trends. But under the Benson farm program of lower commodity loans and Government selling at depressed price levels, the farmer is experiencing economic hardships that have not been visited upon any other segment of the economy. The farmer is asked to compete for economic survival where his costs and taxes are as high as those of other elements of the economy but where his wages—i. e., farm prices—are deliberately being forced downward.

The parity concept suggests nothing more nor less than that farm prices should advance or retreat in unison with prices received for nonagricultural goods. When farm prices are at 100 percent of parity, the farmer is getting his fair share of the national income. But the farmer can never get prices at 100 percent of parity when the Government is in a position to establish the market price, and then goes on to buy and sell farm products at less than parity prices.

I simply cannot understand why your administration should want to work an injustice on the farmer. The Wisconsin dairy farmer—for an example—whose prices are now supported at 75 percent of parity—is asked to receive less for his labor than heretofore, while he continues to face the same taxes and the same costs of production.

The farmer is constantly assured by Mr. Benson and his lieutenants that he is better off than ever before. The farmer knows this to be untrue, and he can cite no less an authority than your own Department of Agriculture. Let me remind you of the statistics recently issued by the Department of Agriculture comparing the farmer's income of the past 4 years with that of the rest of the economy.

Date	Gross farm income	National income	Percentage
	<i>Billion</i>	<i>Billion</i>	
1951	\$36.4	\$277.0	13.1
1952	36.9	291.0	12.6
1953	35.5	305.0	11.6
1954	33.9	300.0	11.3
Average, 1946-50.	32.2	211.0	15.2

In the light of these figures—which show not only that farm income itself is dropping, but that the farm community's relative share of the national income is steadily dropping—it is hard to deny that the farmer is getting a raw deal. I can assure you that your administration's claim of bringing prosperity to the country is a huge and tragic joke to the Wisconsin dairy farmer—and, of course, to other members of the farm community.

If your administration is willing to put the country back on a free-enterprise footing, with no subsidies to anybody, that would create an entirely different situation. But a policy of favoritism in subsidies will never wash with the American people's sense of justice.

At one point in your political career, Mr. President, you apparently appreciated the farmer's claim to justice. On October 4, 1952, at Brookings, S. Dak., you told the American farmers:

"The Republican Party is pledged to the sustaining of the 90 percent parity price support and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guaranty in the price supports of 90."

You may have forgotten that solemn pledge, Mr. President, but I assure you that the farmer has not. I earnestly urge you to reexamine the position you took then, and see if it was not based on principles of justice and fair play.

A year ago, about this time, I asked you to honor your campaign pledge by urging Congress to enact such a farm program, and by

instructing your subordinates to administer it in such a fashion, as would result in 100 percent of parity in prices at the market place. I predicted that if you administration failed in this, our party would lose the 1954 congressional elections. The experts seem to agree that the Republican Party's defeat in 1954 was caused primarily by the vote of an alienated, betrayed, and disillusioned farm community. There is every reason to suppose that the farmers will return precisely the same verdict in 1956 if your administration continues to press its war against agriculture throughout the next year.

I hope the Republican Party can honestly campaign under the "prosperity" banner in 1956. But we cannot do so unless your administration adopts a farm program that gives justice to the farmer and real prosperity to the country. May I suggest, Mr. President, that the problem is urgent, and deserves your earliest consideration.

Sincerely yours,

JOE MCCARTHY.

SEPTEMBER 21, 1955.

The PRESIDENT,

*The White House,  
Washington, D. C.*

DEAR MR. PRESIDENT: I am deeply concerned, as I am sure you are, over the mounting assault on the administration's security program. Left-wing Democrats, in alliance with liberal-front organizations, have launched a full-scale attempt to discredit the Government security system. The current attack is, in part, politically inspired by men who desperately seek an "issue" for 1956; but it is also the fruit of an unrelenting Communist and left-wing propaganda campaign that for many years has sought to undermine public confidence in security measures—and, ultimately, to bring about the dismantling of the security system itself. The attackers are scoring new successes every day, and I predict they will continue to do so until the administration stands up on its hind legs and fights back.

Those who would keep Communists and security risks in Government have become so drunk with their successful attack on the security program, that in the case of the Communist Party of the United States versus the Security Control Board, even a United States Senator joined with the Communist Party in their demand that our security laws be declared unconstitutional.

The left-wing Democrats and the "civil liberties" cultists have hit upon a remarkably effective formula for discrediting the security program; thanks to the executive secrecy policy inaugurated by President Truman—which prevents the Government from telling its side of the story—the left-wingers have only to publicize the alleged grievances of discharged Government workers in order to make their point that we are back in the days of the star chamber.

With the deck thus safely stacked against the administration, Democrat-led committees parade before the public one ex-employee after the other to recount his "ordeal." The Democrat committee members and counsel express profound shock at what, in the absence of evidence in support of the Government's case, appears to be a terrible injustice to the employee. The Liberal press then gleefully retells the employee's story as though it were the whole story, and the public is led to believe that the administration of the security program is arbitrary, brutal, and unintelligent.

The Ford Foundation's Fund for the Republic, of which your personal friend and adviser, Mr. Paul Hoffman, is chairman of the board, has followed a similar approach. The fund's method of "evaluating the security program" is to compile alleged employee grievances, supplied by defense counsel of discharged security risks, and on

the basis of such data, to publicize selected "cases" that seem to prove the Communist and liberal contention that the security program is a guise for a political witch-hunt.

So far, the left-wing Democrats and the liberal fronts have had a free hand. So far, responsible administration officials have been unwilling, or unable, to stand up against the attacks and effectively defend the program. As a result, the vicious anti-security propaganda campaign—originally inspired by the Communists—is making headway and we are in serious danger of losing any semblance of the sort of security program that is needed to protect the Government against Communist subversion.

The dilemma of the administration is, of course, very real: as long as security officers are forbidden to discuss security cases, they are hard put to defend their actions before congressional committees. But in the interests of the Nation's security, a way must be found, and soon, to combat the new left-wing offensive.

In my judgment, the best way to protect the security program is to revoke Executive secrecy orders, insofar as they prevent security information from being divulged to United States Senators and Congressmen. I have, of course, always been opposed to the "blackout," and continue to regard it as a violation of legislative prerogatives. The Executive branch defies both the Constitution and principles of sound government when it denies to Congress information it needs to discharge its responsibilities. And now the evil has returned to plague its creators.

During the Truman regime, the blackout order was issued for the purpose of keeping from Congress data that would have exposed criminal negligence in the administration of the security program. But now by keeping the Truman order in force, the executive branch has been hoisted by its own petard. The secrecy order prevents the administration from showing that the program has improved, and from defending itself against the charge of overtoughness.

Congressional investigating committees should be given access to security files so that they may properly evaluate criticism of the program—whether the charge be that the program is too tough, or that it is not tough enough. Should you decide to divulge to committees the information to which they are entitled, I shall, for my part, urge the Congress to provide that no member of a committee or its staff be permitted to examine the files until he has received top security clearance, and that no specific information be divulged to the public that would, in the judgment of the Executive, endanger national security. Security would thus be protected, and congressional committees would be in a position to present to the American people a balanced, informed report on the administration's program.

Another possible consequence of the secrecy order should be noted—namely, that those responsible for the administration of the program may become demoralized by the sort of attack the left-wing is now waging. On several occasions, security officers have been hauled before Democrat-led committees, and asked to justify discharges or suspensions that appeared to be unwarranted on the basis of employees' complaints. The security officers were not, of course, at liberty to explain their actions. But knowledge of this fact did not prevent the committee or its staff from berating and ridiculing men who had been denied the means of defending themselves. In one case, Mr. Derrell Peterson, a Veterans' Administration security officer, was severely browbeaten by interrogators who showed little sympathy for his claim that silence had been imposed on him by Presidential directive. It is easy to see that such incidents can hamper sound ad-

ministration of the program, for a security officer is certainly less likely, in a close case, to apply strict standards when he may be required to justify his decision publicly without being permitted to give his reasons.

If, however, you are unwilling to revoke the secrecy order, I suggest that you take the next best step—namely, commence a vigorous educational campaign to inform the public about the security program. If the executive secrecy order is to remain in force, administration spokesmen should make it absolutely clear to the American people that, for security reasons, they are getting, and can get, only one side of the story.

The public must be told that the "letter of charges" made public by the employee is at times incomplete and that the Government's evidence in support of the charges is either withheld entirely or disclosed in minuscule fragments.

In addition, the administration can, without violating the secrecy order, explain certain security practices that are now under attack.

Take, for example, the "suspension" issue: the left-wingers falsely claim that the fact a suspended employee is subsequently cleared proves he was dealt with unjustly in the first instance. The public should be informed that a case of reinstatement after suspension does not demonstrate a miscarriage of justice. Security officers are required to suspend an employee when derogatory information appears in his file, pending more extensive evaluation of the information and further investigation. The fact an employee is later cleared means only that he was able to explain the derogatory information to the satisfaction of the security board or of his department head; it most definitely does not mean the employee should not have been suspended, pending such explanation or the development of additional evidence. I believe, as I am sure you do, that mandatory suspension on the receipt of derogatory information is absolutely essential if our country is to be given adequate protection against the Communist conspiracy.

Or take the charge that too many jobs are considered "sensitive": the liberals contend for a security system that would recognize the sensitivity of a few select (but always unidentified) positions, and their argument is invariably made at the level of Adlai Stevenson's crack about spies in the Bureau of Wildlife and Fisheries. Administration spokesmen should make it clear that the great majority of Government jobs are sensitive in varying degrees—and should explain, with some examples, why this is so, and let them make the further point that while there may be some positions that would be utterly useless to the Communists, it is practically impossible to draw a hard and fast line that will separate sensitive from nonsensitive jobs.

Even more important is the need for the public to appreciate the wide differences between the demonstrable Communist and the "security risk," that is, between the traitor and the potential traitor—and to understand that neither type can be entrusted with a Government job. The public should understand that a security officer is not required to make out a case of treason that would stand up in a court of law—is not even required to show that the employee is, more likely than not, a Communist. If the department head or his representative entertains a reasonable doubt about the man's allegiance, he must order that man to leave the Government service. Those who quarrel with this strict standard entirely miss the point about the covert nature of the Communist conspiracy and the difficulties of obtaining legal evidence of treason.

Unfortunately, the security net will inevitably catch some persons who are not Communists. This is one of the prices of national safety. But the public must re-

alize that the personal injustice allegedly involved in such cases is much less than the disgruntled employee or his lawyer may claim. Every Government employee is aware that working for the Government is a privilege, and is on notice that the Government may at any moment—and at its discretion—revoke that privilege. The employee is thus forewarned that associations, past or present—or, indeed, the associations and circumstances of relatives who are susceptible to Communist pressures—may cost him his job. If a man believes that the well-advised risks of placing his economic bets on a Government job are too great, he is free to seek employment elsewhere.

These and other aspects of the security program should be emphasized vigorously and often. The leftwing attack is proceeding with increasing viciousness and irresponsibility. We must fight back. And I believe that you, Mr. President, should assume personal leadership of the defense. May I suggest that you devote a major speech to this subject in the very near future. Republican leaders throughout the country should then be urged to take their positions in the line. We should also attempt to enlist conservative Democrats in the fight, for our national security is surely an issue that transcends party lines.

We should not claim that the security program is beyond reproach. It has improved, but it is far from perfect. For example, recent investigations have disclosed delays in the handling of security cases that appear unreasonable. That situation ought to be remedied. Much more important: an impartial investigation would reveal that certain Government departments are still too lax in the application of security standards, and that potential traitors are still in Government.

We can undertake to remedy these defects and, at the same time, restore and maintain public confidence in the basic ideas of the program. We will have taken a firm step in the right direction, should you see fit to repeat your excellent speech on the Communist menace made at Milwaukee, Wis., on October 3, 1952, in the course of which you said that:

"To work for the United States Government is a privilege, not a right. And it is the prerogative of the Government to set the strictest tasks upon the loyalty and the patriotism of those entrusted with our Nation's safety."

The leftwingers are having a field day at the expense of the Nation's safety. It is our imperative duty to the American people to resist their unprincipled campaign—a campaign that, if successful, will open the door once again to large-scale Communist infiltration of our Government.

Sincerely yours,

JOE MCCARTHY.

NOVEMBER 2, 1955.

HON. JOHN McCLELLAN,  
United States Senator, Chairman, Senate Permanent Investigations Subcommittee, United States Senate, Washington, D. C.

DEAR SENATOR McCLELLAN: After an intensive investigation which dates back to nearly a year ago, I have succeeded in uncovering facts which, if true, establish the existence of a currently functioning Communist cell in one of the Federal agencies.

Since I am no longer chairman of the investigations subcommittee, and do not have the power of subpoena, the job of tracking down and verifying the leads that have been given to me over this period has been extremely difficult. Nevertheless, sufficient information has now accumulated to convince me of the existence of a grave and present threat to the security of this country.

My information indicates that the National Labor Relations Board is literally

honeycombed with individuals identified either as members of the Communist Party, or as having had years of constant and close association with known and/or suspected Communists and Soviet agents. Moreover, it appears that this shocking situation has been condoned by the responsible NLRB authorities for many years.

I am now prepared to turn over to you, as chairman of the Senate Permanent Investigations Subcommittee, the results of my investigation so that the Committee's staff of investigators with its power of subpoena may prepare the individual cases for public hearings. I should therefore like to urge that you immediately call an executive session of the Committee so that I may furnish you and the other members with the information I have gathered.

May I emphasize that my information incriminates a large number of individuals who at this very moment hold top-level jobs in this Government agency. I understand that another congressional group is in possession of information concerning past subversive activity in the NLRB. While it is of great importance that such evidence of past subversion be brought to light, the present situation appears to be so critical that, in my opinion, the investigations subcommittee must immediately undertake an inquiry of the facts I am prepared to present.

With a limited staff and no public funds, it has been impossible for me to follow up every lead and double-check every datum that has been brought to my attention. I can, however, assure you that all of my information has been furnished by informants of high reliability and with indisputable access to the pertinent facts. I am sure that, after you have heard the evidence, you will agree that it constitutes a cogent and alarming *prima facie* case against the adequacy of security enforcement in this Government agency.

Undoubtedly, powerful and bi-partisan pressures will be exerted upon you and the committee to prevent an investigation. For the evidence reflects not only upon the past Democrat administration of Mr. Roosevelt and Mr. Truman but also upon the present administration of Mr. Eisenhower.

The Nation is well aware that the Communists successfully infiltrated the Government during the 20 years of Democrat rule. Many Americans, however, have been led to believe that since January 1953 the Republican administration has dislodged most, if not all, subversives. I was among those in 1952 who were sure that this would be done if the Republican ticket were elected, and I campaigned for the Republican candidate on the basis of the pledge that Communists and security risks would be eliminated from the Government. Consequently, no one can be more distressed than I by the realization that the well-meaning efforts of the present administration in that direction have at least partially failed.

Both parties stand to be embarrassed by an exposé of the NLRB situation; yet I am confident you will frustrate any politically inspired attempts to prevent the Committee from performing its clear duty. I know you agree that partisan considerations must pale in the face of a common threat to us all.

As you know, no Federal agency during the last 20 years has had more influence upon the economic and social structure of the Nation than the National Labor Relations Board. The subversion of the Board is consequently a prime goal for those whose mission is to destroy our way of life.

With its network of branch offices—in New York, Philadelphia, Baltimore, Atlanta, Boston, Chicago, Buffalo, Cleveland, Cincinnati, Detroit, Los Angeles, Minneapolis, Pittsburgh, St. Louis, San Francisco, and other large cities—and in the light of its tremendous daily impact on labor-management relations, the NLRB, from its inception in

1935, presented an ideal target for Communist infiltration. The record is replete with evidence that the Communists were very successful in placing their agents in top-level jobs. In 1940, when the nature of the Communist conspiracy was only vaguely understood in Congress, a House committee headed by Representative SMITH of Virginia reported that the NLRB was heavily infiltrated. My information is that the conspirators still wield a powerful influence in the Board's operations.

To give you an idea of the situation now existing in the NLRB, I am herewith setting forth some of the data in eight of the cases, as an indication of the nature of the evidence gathered in my investigation. You will note that one of the cases, No. 8, is a Truman presidential appointee, a member of the five-man National Labor Relations Board. I shall, of course, mention no names here since these individuals are entitled to testify under oath at executive committee sessions and furnish whatever explanations are available. However, I shall be glad to give the committee full details on the names, dates and circumstances surrounding these and the other cases.

Case No. 1: This National Labor Relations Board official enjoys high connections both on Capitol Hill and in the Washington office of the Board. He was fired from the Labor Board in 1954 after a hearing during which he admitted under oath that he had been a Communist Party member. He admitted that he had made false statements in denying this fact when he applied for employment, attempting to justify this position by asserting that he had never been an American Communist—only a British Communist.

Despite his denying having been a member of the Communist Party of the United States, the evidence is that this man taught in a Communist Workers school in this country. He also supported the campaign of a western Congressman who has since invoked the fifth amendment when questioned about his Communist connections.

This man was properly dismissed on grounds of questionable loyalty. The almost incredible fact is that he was rehired a short time later, reportedly on the intervention of a member of the NLRB itself, by the NLRB, which had discharged him as a potential traitor. He is presently employed by the NLRB.

Case No. 2: This woman was a secretary to the Regional Director of the National Labor Relations Board. She was fired in 1954 after a loyalty hearing on the basis of past and present association with known Communists and subversives. She was rehired a few weeks later and given back pay upon the reported intercession of the same Board official. She is an employee today.

Case No. 3: This individual was fired in 1953 after a Loyalty-Security Board had unanimously recommended his separation upon hearing the record of his Communist activities. He was rehired 8 months later, in 1954, again upon the reported intercession of the same high official.

Case No. 4: This individual, an ex-convict, was a reported close associate of a foreign atomic scientist who fled behind the Iron Curtain. He was identified as a member of the Communist Party in a western State. He was given a clearance, despite these facts. Even though he remains employed in the office of the Chairman of the NLRB in Washington, D. C., his case has been referred to the Department of Justice for possible perjury prosecution.

Case No. 5: This employee was identified as a member of the Communist Party. At a loyalty board hearing in 1949, he at first denied, then admitted that he may have been a Communist. He was given a second loyalty hearing in 1955 and cleared because the confidential informants of the FBI could not be produced. A recommendation for perjury action against him has been sent to

the Justice Department. Nevertheless, he remains presently employed by the NLRB.

Case No. 6: This young woman admitted in applying for employment that she had been a member of the Young Communist League. She was nevertheless hired. Investigative reports show that she has continued extensive Communist Party activities, and that her husband was also a member of the Young Communist League. Recommended loyalty board hearings on this person have not been held. She is presently employed as a field examiner with access to classified defense installations.

Case No. 7: This man is currently a regional director of the National Labor Relations Board. He was appointed to that position by Nathan Witt. This regional director was a lecturer at the Philadelphia School of Social Sciences and Art which was cited by the Attorney General as "an adjunct of the Communist Party." Recommended loyalty board hearings on this man have not been held.

Case No. 8: This individual is a prominent member of the National Labor Relations Board. The evidence relative to this case is sufficiently alarming to justify an immediate investigation. The derogatory information on him was so extensive and his position so important that his case was submitted to the White House. His complete file is reported to have been taken to Independence, Mo., by President Truman when he retired from office. Yet he remains in his high office with the National Labor Relations Board.

The American people have been told that communism in the United States is an exaggerated menace. As you know, this is a myth propagated by the Red leaders and the left-wingers. Communism is still an ugly, evil, and powerful threat to our Government and to our liberties. The American people have a right to know that men devoted to a godless ideology have been installed in high office in our Government, have successfully run the gauntlet of the loyalty security system, and remain in positions where they are able to influence policy and shape the destiny of our Nation. This fact will be brought home to the public if this investigation is pressed with vigor and determination. I am confident you and the committee will do just that.

Sincerely yours,

JOE MCCARTHY.

PRESS RELEASE, NOVEMBER 9, 1955

Mr. Molotov's vigorous restatement yesterday of the Soviet Union's intention to communize Germany leaves Secretary Dulles with no alternative but to break off the Geneva negotiations. To continue the conference in the teeth of this reaffirmation of Soviet imperialistic designs would serve no useful purpose, and would create still further dangers to the western position.

On August 1, I told the Senate that, despite all the smiles and handshakes, the Geneva summit meeting produced not the slightest change in the traditional Soviet position on German unification and European security, and that it was thus inviting disaster for us to play the Communists' friendship game. Some of my colleagues advised postponing judgment until the October Foreign Ministers' meeting. That meeting has been held, and with it has disappeared even the most visionary basis for hoping for a Soviet change of heart.

Obviously, there is nothing more to be said at Geneva, by either the Communists or ourselves, on the questions of Germany and European security. This means the conference will dribble off on the subjects of East-West trade and cultural contacts. It approaches insanity, in the light of Molotov's reaffirmations of Communist objectives, for our diplomats to try to work out agreements that will strengthen the Russian economy, and that will further facilitate the sending of Com-

munist cultural delegations to the United States and other western countries.

The deceptive and farcical spirit of Geneva was at the outset, and remains, the chief propaganda tool of our admittedly implacable enemy. Any attempt to keep it alive is fraught with perils for the free world.

Mr. Dulles deserves credit for standing firm at Geneva for the American policy of a free and unified Germany. It is his duty now to return to the United States, to advise the American people that the recent Communist peace offensive has been root-and-center fraudulent, and to set about restoring our Soviet policy to a realistic basis.

#### PRESS RELEASE, NOVEMBER 13, 1955

There is a pressing need for the administration to correct an absurd situation that deprived the country of the invaluable services of one of its greatest sons. Ever since 1951 when President Truman, for partisan reasons, relieved him of his far eastern commands, Gen. Douglas MacArthur has been compelled to sit on the sidelines of the free-world's struggle against communism. This has been an extraordinary exile inasmuch as General MacArthur is a world statesman of unchallenged stature, and unquestionably one of our foremost experts on the Far East—the area where the fight against communism will probably be won or lost.

But today there is an additional reason for summoning General MacArthur's services. Due to his unfortunate illness, President Eisenhower is not now able to carry, personally, the full burdens of his office. In view of the continuing crisis in the Far East, the President's task would be immensely facilitated if he and his advisers had the benefit of the daily counsel of this wise man and seasoned area expert.

I therefore urge that General MacArthur be asked to serve as special Presidential adviser on far east affairs. The appointment would considerably lighten the President's workload and worries, and would assure the American people that their affairs are in capable hands.

#### PRESS RELEASE

The leadership of the Democrat Party should immediately call a halt to the disgraceful and dangerous activities of the Democrat-controlled committee under the chairmanship of Senator HENNING, of Missouri. Under HENNING all the power of a Senate committee is being used to wage jungle warfare against the Government security system on the argument that it is too tough on Communist suspects. The Hennings committee is being used as a "front" for leftwing organizations such as the Fund for the Republic and the ADA, whose principal objective is to torpedo any effective security program.

The Hennings committee activities are not only a disgrace to the Senate and to the Democrat Party, they pose a grave threat to the security of the United States. I note that not one Democrat leader has come forward to condemn the Hennings spectacle—which indicates that the national Democrat leadership is as soft as ever on the Communist issue.

The Communists-in-government question should not be an issue between America's two political parties. They should be united in efforts to fight Communist infiltration. However, unless the Democrat leadership does something to curb the activities of the Hennings committee, Communist subversion will be a major issue in the 1956 campaign. If the Democrat leadership does not remedy the situation then the millions of Democrats throughout the country, who abhor communism, will have no alternative but to put Republicans in control of the congressional committees.

When I was chairman of a committee that was attempting to expose Communists in government and in defense plants, there was a great hue and cry by the Democrat leaders and the leftwing press against one-man committee hearings. I note that now—when HENNING is conducting one-man hearings to "protect the rights" of Communist Party-liners in government—not a single objection is to be heard from the Democrat leaders or from the leftwing press.

NOVEMBER 29, 1955.

HON. THOMAS C. HENNING, JR.,

United States Senate,

Washington, D. C.

DEAR SENATOR HENNING: Last Friday I commented on the activities of your one-man committee, pointing out that you were making it easier for Communists to infiltrate our Government. Your reply to that statement has been brought to my attention, and let me say that the Sir Galahad pose you attempted to strike did not quite come off. The only people who can reasonably call you their hero are the Communist Party liners whose antisecurity propaganda campaign your one-man committee is so energetically promoting.

You stated that you are attempting to strengthen our security program. This claim was double-talk and hypocrisy at its worst: One November 3d at St. Louis, you demanded three changes in security procedures which, if adopted, would leave the security program in shambles. You urged, in effect, that we get rid of the reasonable doubt standard under which the benefit of the doubt in loyalty cases is given to the Government. You contended that the facts that a man's associates are Communists and that he has joined Communist organizations should not even be taken into account in determining his security status. Finally, you insisted that the Government be forbidden to make use of derogatory information gathered by undercover FBI agents. Far from strengthening the security program, these changes would open the floodgates to wholesale Communist infiltration of our Government.

Most recently, you brought the Army under attack for trying to correct lax security practices that were exposed by the Senate committee under my chairmanship in the Peress and Belsky cases. Day after day, your committee hammered away at the Army for refusing to grant honorable discharges to soldiers who take the fifth amendment when asked about their Communist connections. During one of the sessions (vol. 7, pp. 1049-1065), your chief counsel, supported by you, berated the Army for merely including as one of the charges against a soldier the fact he had taken the fifth amendment when asked about Communist activities. Mr. Hocker said: "How can you justify that, on either a constitutional basis, or on just the basis of morals? If a man is entitled to rely upon his constitutional privilege, how can the Army hold that against him?"

The result of this daily browbeating of Army officials was the promulgation of an amazing Defense Department directive. In effect, the new directive says to Communists and Communist Party liners who are drafted into the Army: "All you have to do is take the fifth amendment, and you will be able to avoid military service and go back to civilian life with no disgrace or stigma attached to your name." In other words, loyal American youths must give several years of their lives to their country's service, but Communists and Communist Party liners go scot-free—neither drafted nor disgraced.

After that directive was issued, you commented: "We are making progress. I look forward to further improvements in the regulations as the subcommittee prosecutes this inquiry." Progress for whom, improvement in whose behalf, Senator?

The frightening thing about your efforts to wreck the security program is that they

apparently have the support of national Democrat leaders—none of whom have yet repudiated you or your committee. It is a sad commentary on Democrat leadership that the only Senate Committee now holding hearings on the Communist issue is waging jungle warfare against our security system instead of attempting to expose and get rid of Communists and Communist Party liners. For this choice of objectives the Democrat Party bears full responsibility. I do not want Communist subversion to be an issue in the next campaign, but I assure you it will be an issue, unless your committee desists from activities that give aid and comfort to this country's enemies.

I am sure that the millions of Democrats throughout the Nation who abhor communism join me in this protest against your committee's activities.

Sincerely yours,

JOE MCCARTHY.

LETTER WRITTEN TO SENATOR ESTES KEFAUVER,  
GOV. AVERELL HARRIMAN, HON. ADLAI  
STEVENSON

DECEMBER 2, 1955.

DEAR SIR: It is evident that you are being seriously considered for the Democrat presidential nomination in 1956. Therefore, I think it proper that at this time you take a stand on one of the major issues that will confront the American people in the coming election, namely, how to deal with the never-ceasing Communist attempts to infiltrate our Government. I think it is important that the public, and especially the delegates who select the Democrat nominee, know your views on this vital question.

On January 10, 1955, after the McCarthy censure, and after the Democrat Party had obtained control of the Senate, a resolution was introduced and unanimously passed which said, in part:

"It is the sense of the Senate that its appropriate committees shall continue diligently and vigorously to investigate, expose and combat \* \* \* (the Communist) conspiracy, and all subversive elements and persons connected therewith."

That resolution was admittedly designed to counter the impression that the unanimous vote of the Democrat Party on the censure issue meant that "the Senate would terminate or soften its investigation of communism and subversion."

Although I voted for the resolution, I commented at the time that the resolution amounted to a declaration against sin, and that the Democrat Party would have to prove by deeds that it had ceased to be soft on the Communist issue. I added that I would give the Democrats 1 year to demonstrate that they had meant what they said.

That year is now nearly up. So far, under Democrat leadership, congressional investigating committees have not exposed a single Communist in Government. But this is not the most serious indictment of the Democrat Party. Instead of exposing Communists, the Democrat leadership has seen fit to join in the Communist-inspired campaign to discredit existing measures for combating subversion. While I did not expect any progress to be made in exposing Communists, I could hardly anticipate this development: That the Democrat Party would flagrantly and unabashedly expose its softness toward communism by attempting to destroy the security measures now in force.

First, the Johnston committee attempted to whip up hysteria against the security program by parading before the public a long line of discharged Communist suspects and inviting them to relate how badly they had been treated. No attempt was made to evaluate the complaints or to present the Government's side of the cases.

But the most serious threat to the safety of this country is the activities of the Democrat-controlled subcommittee under the

chairmanship of Senator HENNINGS. The manifest objective of the Hennings subcommittee is nothing less than the total emasculation of the security system.

Under the guise of protecting constitutional rights, HENNINGS has brought under attack practically every security procedure that is useful in detecting Communists and getting rid of them. If HENNINGS has his way the only person who would be caught in the security net is the man who announces "I am a present member of the Communist Party, and here is my party card to prove it." The procedure changes urged by the Hennings subcommittee would open the floodgates to wholesale Communist infiltration of our Government.

Inasmuch as the Democrat Party now controls the Senate, the activities of the Hennings subcommittee are the direct responsibility of the Democrat Party. The Democrat Party therefore has been put on record as being more concerned with protecting Communists than with exposing them. As things stand now, this is the record upon which the Democrat Party will have to campaign in 1956.

I have often said that it is not my wish for Communist subversion to be an issue between our two political parties. But the American people will make this an issue, unless the Democrat national leadership repudiates activities that give aid and comfort to our country's enemies. The public is fast losing patience with politicians who dance to every tune the Communists play and then ask to be entrusted with the conduct of the Nation's affairs.

I therefore call upon you to repudiate the antiselection vendetta being conducted by Senator HENNINGS and to condemn all other attempts to weaken our national security. If you fail to take this action then you have no right to ask the American people, either in the primaries or in the national election, to endorse your candidacy.

Sincerely yours,

JOE MCCARTHY.

DECEMBER 16, 1955.

HON. HERBERT BROWNELL, JR.,  
Attorney General, Department of Justice,  
Washington, D. C.

DEAR MR. BROWNELL: I make reference to a letter addressed to you on November 14, 1955, by Hon. JOHN L. MCCLELLAN, chairman of the Senate Permanent Subcommittee on Investigations, which reads:

"Reference is made to my letter of April 12, 1955, wherein I referred to you various material concerning Brig. Gen. Ralph W. Zwicker. At that time, I requested that your office advise whether there appeared to be a violation of the perjury statute and what action your Department intended to pursue.

"It would be appreciated if you would advise me as to the status of the case."

I am informed that your office has replied to this letter to the effect that the Zwicker case has been referred to the Criminal Division, but that no action has, as yet, been taken.

As the ranking Republican member of this subcommittee, I feel obliged to remind you that continued delays in the disposition of this case may reflect adversely on the present administration. The case was originally referred to your Department 8 months ago, because this subcommittee was of the opinion that General Zwicker's testimony might constitute the basis of a perjury prosecution. I submit that any further delay will arouse suspicions that the Department is permitting political considerations to interfere with the administration of justice.

May I be advised at the earliest possible moment of what action is to be taken.

Sincerely yours,

JOE MCCARTHY.

DECEMBER 16, 1955.

The Honorable JOHN L. MCCLELLAN,  
Chairman, Permanent Investigations  
Subcommittee, United States Senate,  
Washington, D. C.

DEAR SENATOR MCCLELLAN: I am deeply concerned over the attacks by the Johnston and Hennings committees on the Government security program. In my opinion, these committees have consciously sought to discredit anti-Communist security measures by means of ridicule, unfair emphases and downright misrepresentation. The committees are deliberately portraying the security program as a ruthless, bungling Gestapo-like operation and this distorted picture is being passed on to the public with great gusto by the left-wing press. The result is that the Communist Party is winning a stupendous propaganda victory and may soon achieve its objective of destroying the security system altogether.

I enclose for your careful reading a photograph of an article published in the Washington Star of December 11, 1955—one of literally hundreds of the same tendency—which shows the kind of games the left-wingers are playing with the security issue. This article deals with the Hennings committee's so-called investigation of the Army's policy of assigning to "controlled duties," and refusing to grant honorable discharges to, inductees who take the fifth amendment when questioned about their loyalty to the United States.

I have read in their entirety the relevant transcripts of the Hennings committee hearings, and let me say that this story faithfully records the distorted version of security procedures developed by that committee. This team of clever publicists so twists the facts as to make the Army's position look ridiculous. The article, for example, "proves" that the Army compels an inductee to exercise his constitutional privilege, then punishes him for doing so.

When considered step by step by anyone who is acquainted with the security problem, and who takes a realistic view of the measures that are necessary to protect our country, the Army procedures that are under fire are utterly reasonable. To begin with the Army asks the inductee, in effect, whether he is loyal to the United States. (Do Hennings and left-wingers want the Army to induct persons without obtaining this information?) It then tells the inductee that if he chooses not to disclose whether he is loyal to the United States, the way to avoid such disclosure is to invoke his constitutional privilege. (Do left-wingers have in mind some other way in which an inductee can justify refusing to assert his loyalty?) The Army then must determine what bearing the invocation of the fifth amendment has on the inductee's security status; it usually decides against giving him full security clearance and an honorable discharge. (Are the left-wingers saying that the Army should completely ignore the implications of an inductee saying, "I cannot tell the truth about Communist connections because the truth might tend to incriminate me?")

Of course, the left-wingers never commit themselves on just what step in the process is wrong. Their purpose is to whip up public sentiment against a caricature of the whole—and thus to pressure the Army into emasculating its program or dismantling it altogether.

Daily browbeating of security officers by the Hennings committee has forced the Army to revise its procedures for dealing with fifth-amendment cases, and the new regulation creates a situation more absurd and more dangerous than existed when our committee went into the Peress case. The new regulations call for a loyalty investigation prior to induction. The result is that a Communist or Communist Party liner—or, for that mat-

ter, anyone who wants to dodge the draft—can, by merely invoking the fifth amendment, avoid the draft and return to civilian life with no mark or stigma attached to his name.

I am informed that ridicule and intimidation by Senate committees and the press has caused a general relaxation of efforts by the executive departments to expose and get rid of Communist suspects. My purpose in writing you is to suggest that our committee, which is charged with overseeing the operations of the executive branch of the Government, has a clear duty to attempt to repair the damage done by the Hennings and Johnston committees. First, we should give the Defense Department and the other Government agencies an opportunity to explain the operation of the security program in an atmosphere other than that of a "kangaroo court." We should make it clear to the executive officials that our interest is in strengthening the security program, not in weakening it.

Second, our committee should resume efforts to expose the Communists who are still in our Government. It is truly a sad commentary on the political leadership of the Senate that the only committees dealing with the Communists-in-Government issue are directing their fire at those who are attempting to prevent Communist infiltration, instead of at those who are doing the infiltrating.

This gets me over to a subject to which I hope you will give the most careful consideration. Unless Senate committees—all of which are Democrat-controlled—start fighting Communists instead of helping them, there is no way on earth to prevent the Communists-in-Government problem from becoming a political issue in 1956. The two parties should be united in their determination to fight Communist subversion, but on the basis of the Democrat Party's Senate performance to date, they are not united; and unless this situation changes, it will be the duty of Republican candidates to point out the differences to the electorate.

On January 10 of this year, the Democrat-controlled Senate passed a resolution that provided, in part:

"It is the sense of the Senate that its appropriate committees shall continue diligently and vigorously to investigate, expose and combat . . . [the Communist] conspiracy, and all subversive elements and persons connected therewith."

I voted for that resolution, though I felt that its real purpose was to offset a widespread impression that the unanimous Democrat vote on the censure issue foreshadowed a letup in efforts to expose and get rid of Communists in Government. I stated at that time that I would give the Democrat leadership 1 year to prove that it had meant what it said.

That year is now nearly up and so far, not a single Communist in Government has been exposed by a Senate committee. Moreover, so far as I have been able to discover, no attempts to uncover subversives in Government are being made by a Senate committee. Instead, Democrat-controlled committees have concentrated on discrediting the security program. The responsibility for this strange choice of objectives must be laid directly to the Senate Democrat leadership and to Democrat committee chairmen.

I believe that you personally, along with many other Senate Democrats, are anxious to expose Communists; but I also believe you have been hamstrung by the left-wing leadership of the Democrat Party. The interests of the country require that good Democrats emancipate themselves from left-wing domination. Unless this is done, unless the Senate starts providing some opposition to the Communist-inspired anti-

security campaign, instead of abetting it, Republicans in 1956 will have no choice but to cite the Communist issue as reason for restoring to them the chairmanships of Senate committees.

Sincerely yours,

JOE MCCARTHY.

**Unless Nonessential Spending Is Trimmed  
and Budget Is Balanced, Congress May  
Fritter Away Chance To Give People  
Some Honest Tax Relief**

EXTENSION OF REMARKS

OF

**HON. O. C. FISHER**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. FISHER. Mr. Speaker, if this Congress wants to do it, the American people can be given some badly needed tax relief this year. And it can now be done on a sound basis. Indeed it is possible, if we set our minds to it, to have moderate tax reduction and also pay a billion or so dollars on the mounting public debt.

But we all know that we cannot have honest tax reduction that really means something unless at the same time the budget is balanced. Otherwise the Congress would find itself in a position of borrowing money, adding it to the public debt, and of in effect paying that borrowed money to ourselves as taxpayers.

In other words, if the Federal Government spends more than it takes in it engages in deficit financing to that extent. That deficit is made up by the Government borrowing that amount and adding it to the public debt. We now pay nearly \$7 billion annually in interest on that debt.

It is an unsound business practice, under present conditions, to borrow money for tax-relief purposes. That is not really tax relief—it is tax postponement. In a way it is a fraud because it unloads that much more on future generations to pay, while leading the people to think we have really done something for them.

Let us hope, Mr. Speaker, that as we approach this subject of tax reduction this year we keep these basic considerations in mind.

TAX REDUCTION IS CONDITIONED ON REDUCED  
SPENDING

If we do that, if we really want to take advantage of this opportunity to give some tax relief on a sound basis, we will start looking right now for ways to cut down on nonessential spending. That is the only approach to honest—not phony—tax reduction.

Now, how can we reduce spending? There are many ways. We can, for example, take the fat out of foreign aid and limit it in the main to necessary military assistance, with economic aid going only to those countries that are on the side of the Free World, that are strategic and cooperative, and which without our help are in danger of falling into Communist hands—thereby further en-

dangerous our own security and world peace.

END OF PUBLIC HOUSING WOULD HELP  
TAXPAYERS

Another obvious saving would be to discontinue the expensive public housing which each year is becoming increasingly burdensome to American taxpayers. It will be recalled that this House last summer reversed an earlier position and at the end of the session voted to continue public housing—a billion dollars worth of it having been committed at that time. Those who support that sort of reckless spending should be the last to talk about tax reduction unless and until the budget is balanced.

Indeed, the Congress should begin steps now to liquidate socialized housing and get out of this business that private enterprise can handle so much better. About \$10 billion is involved in outstanding commitments, loss of revenue to local communities in foregoing local taxes on such housing projects, and other factors. Let us get the Government out of that kind of business and give the taxpayers a break.

TO HAVE TAX AND DEBT REDUCTION WE MUST  
FOLLOW CONSISTENT POLICIES FROM YEAR TO  
YEAR

Mr. Speaker, it should be evident to everyone that our approach to these problems should be consistent from year to year; planning for a sound fiscal policy should be projected into the future and not be haphazard. Such policies should be the same—the objectives should be the same—on nonelection years as they are on election years. The same basic principles of economy should be practiced every year—not just occasionally.

It happens that I have been one of those who in the past has tried to follow that rule of consistency. I have consistently opposed nonessential spending and phony tax cut proposals. I was constrained to vote against the big package foreign aid bills the past 3 years because they contained, in my judgment, too much fat, too much waste, along with the desirable features. We are told, for example, that Denmark was given \$100 million last year to be used in helping balance its budget. And it was reported that \$200 million was handed as a gift to Great Britain shortly before their last general election.

We simply cannot go on with irresponsible spending if we are to have responsible tax reduction and debt retirement. It is just that simple.

MORE PEOPLE NOW REALIZING THAT TAX CUT IS  
MEANINGLESS UNLESS BUDGET IS BALANCED

As I said at the beginning, we now have a chance to give the people some honest tax relief because we are within sight of a balanced budget. But that possibility can be frittered away by excessive spending.

There is another encouraging sign: many who last year and the year before insisted upon additional tax cuts despite the unbalanced condition of the budget are now, according to press reports, realizing the fallacy of that position and are calling for caution in applying similar tax cuts at this time unless the

budget is brought into balance. That change in attitude is commendable.

Let us hope, Mr. Speaker, that those who now admit that honest tax relief can be had only with a balanced budget, will join with those of us who make annual fights for reduction in nonessential spending. Let us bear in mind that 10 percent of all taxes now collected is used just to pay annual interest on the public debt. Even if we paid a billion dollars a year on that debt it would require 280 years to retire it. The use of commonsense economy is the key to prospects for tax relief this year—and for a sound fiscal policy throughout the foreseeable future.

**Federal Regulation of Independent Natural  
Gas Producers Is Essential**

EXTENSION OF REMARKS

OF

**HON. PAUL H. DOUGLAS**

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, January 12, 1956

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article which I wrote for the October issue of the Public Utilities Fortnightly. The article is entitled "Federal Regulation of Independent Natural Gas Producers Is Essential," and contains my general views on this question.

I wish to point out, however, that because of its length, I was not able to include all the supporting data which I shall later present to the Senate when the gas bill is debated. In addition, we now have figures for 1954 and, in some cases, for 1955, which have been provided to me by the Federal Power Commission since the article was published. In every case the new figures strengthen the position against exempting from Federal regulation the sales for resale of natural gas in interstate commerce. In fact, new figures for the price of gas, the domination of supplies by a few, and the ultimate costs to consumers involved if the bill is passed, all fortify the case against exemption.

The Public Utilities Fortnightly deserves credit for making available to its readers various views on the natural gas bill, and I wish to commend them for the fairness with which they have presented divergent views to their readers and the public.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL REGULATION OF INDEPENDENT NATURAL  
GAS PRODUCERS IS ESSENTIAL

(By the Honorable PAUL H. DOUGLAS, United States Senator from Illinois)

The United States Senate will have before it in January the Fulbright bill to exempt sales of natural gas for resale in interstate commerce by the so-called independent non-transporting producers from regulation by the Federal Power Commission. The bill would also provide large windfall profits to interstate pipeline companies owning natural gas reserves. I have opposed similar

legislation in the past. And I am opposed to this bill and its counterpart, the Harris bill, which passed the House of Representatives by a very narrow margin at the end of the 1st session of the 84th Congress.

## I

Historically, the legislative efforts to win exemption for these producers' sales and to provide bonanzas for pipeline companies began with the Moore-Rizley bill in 1947-48. This bill was too extreme even for the Republican 80th Congress. It was shelved. An exemption measure (the Kerr bill) was unfortunately passed in 1950, but President Truman courageously vetoed it.

A majority of the Federal Power Commission in 1951 held in the Phillips Petroleum Co. case that the Commission did not possess jurisdiction over sales of natural gas in interstate commerce which were related to the activities of production and gathering.

The Supreme Court in 1954 reversed this self-denial of jurisdiction. The Court held that the Natural Gas Act gave the Commission power to regulate the interstate sales of producers and indicated that it should get on with the job of protecting the consuming public against exploitation at the hands of natural gas companies. Now the oil and gas producers are back again seeking clarification of the Natural Gas Act or—more precisely—exemption therefrom.

At the present time, then, the Federal Power Commission has the legal power to regulate the rates charged for natural gas sold in interstate commerce for resale at all points in its interstate journey, commencing at the wellhead. The various State regulatory commissions have the authority to regulate the sales to ultimate consumers. The regulatory scheme is complete, and no regulatory gap exists.

The effect of the Fulbright bill would be to reopen the gap and permit producers to charge all that the traffic will bear for this much-sought-after-fuel. Whatever is charged would be passed along by the pipeline companies and the distributing utilities, and included as a legitimate cost in determining the final price to consumers.

I oppose this legislation because it would exempt from Federal regulation a vital segment of an industry engaged in interstate commerce which is affected with a public interest just as much as electricity, water, public transportation, or the telephone industry. This fact was established legally by Congress in 1938. The decisions of the Supreme Court have confirmed it.

Basically, however, it was neither Congress nor the Supreme Court which made the industry one affected with a public interest and therefore subject to reasonable regulation. This is due instead to the fundamental nature of the industry itself. An examination of the industry structure and its business methods and operations led me, and many of my colleagues, to the view that continued regulation by the Federal Power Commission of the type of sales covered by the Phillips decision is clearly in the public interest.

Natural gas is a necessity in the daily lives of millions of Americans just the same as electricity, telephones, and water. These services are furnished by utilities. If a householder needs such services, there is only one place where they may be obtained on a practical or economical basis, and that is from the local utilities. In the economic sense, these householders are captive customers of the utilities.

It is true that there are alternatives. Candles and oil lamps may be used for light in place of electricity. Water may be bought in bottles, or one can dig one's own private well. However, the investment made by the American consumer in appliances negatives the opportunity afforded by such alternatives. Once the consumer has purchased a

gas furnace, gas range, gas water heater, gas refrigerator, or gas clothes dryer, or other gas-burning appliance, he has no real alternative to gas as fuel.

Americans have now invested upwards of \$10 billion in gas furnaces and appliances which cannot be economically or physically converted to electricity, coal, oil, or wood. Even if the conversion were practical, few consumers would shift because gas is cleaner, more convenient, and its utilization requires little physical labor. But the conversion is impractical: The costs would be prohibitive for the consumer to junk his existing gas-burning equipment and replace it by electric appliances or by coal- or oil-burning furnaces.

The argument that the residential consumer has an effective alternative to the continued use of natural gas and can switch to another fuel if he objects to high gas rates is pure sophistry.

## II

A phenomenal increase in the prices of natural gas in the producing fields has taken place since the close of World War II, and, more particularly, in the last 2 or 3 years. This rising cost of gas in the field has had a pronounced effect upon the rates of the interstate pipeline companies and has likewise been reflected in the natural gas retail rates in many sections of the country. These increases have been so drastic that many distributing utilities actively participated in the hearings on the Fulbright bill in the Senate and the Harris bill in the House, strongly opposing this giveaway legislation. Likewise, State regulatory commissions and State and municipal officials joined in opposition to these measures.

The magnitude of the increases in the field cost of gas is demonstrated by the experience of 17 major pipeline companies, which in 1953 acquired 96 percent of the total volume of gas purchased from independent producers by companies reporting to the Federal Power Commission. In 1946 the weighted average price paid by these companies was 4.4 cents per thousand cubic feet. In 1953 the average cost had risen to 8.857 cents per thousand cubic feet. Based on filings for rate increases in the year 1954, the weighted average price had reached 9.723 cents per thousand cubic feet, an increase of 120 percent above the 1946 level. Almost two-thirds of this increase has occurred since 1951. The increased cost of natural gas in the field to the 17 major pipeline companies when placed upon an annual basis amounts to \$196 million. This is no small sum, even in our billion-dollar economy.

In turn, these increases in the field cost of gas have meant higher resale rates. Between July 1, 1949, and March 1, 1955, natural gas pipeline companies filed 163 requests with the Federal Power Commission for increases in their resale rates aggregating more than \$505 million on an annual basis. Of this amount, \$157 million was disallowed or withdrawn; \$199 million was placed in effect; and \$149 million was pending as of March 1, 1955.

Natural gas distributing utilities have been forced to pass on the higher cost of gas purchased from the pipeline companies to their customers. This fact is reflected clearly in the statistics published by the American Gas Association. On a nationwide basis the average unit cost of natural gas to residential consumers increased during the period 1945-54 from 6.32 cents to 8.06 cents per therm; for commercial customers the increase was from 4.16 cents to 6.19 cents per therm; and for industrial users from 1.65 cents to 2.37 cents per therm. In some States the increases are even more striking.

At the same time that the cost of natural gas has been going up, the unit cost of electricity to the residential consumers has been

declining. In fact, between 1945 and 1954 the residential unit cost of electricity dropped from 3.47 cents to 2.79 cents per kilowatt-hour, a decrease of 24.3 percent. The residential cost of natural gas, however, increased 27.5 percent.

Convincing evidence was presented by representatives of distributing utilities before the congressional committees to the effect that the increased cost of natural gas was seriously hampering their efforts to expand natural gas sales, that in some areas they were being priced out of the market, and that if the upward trend in field prices continued, they would meet with financial disaster. The difficulties faced by the distributing utilities are evidenced not only by the statements made before the congressional committees, but are to be found in testimony in rate proceedings before the State utility commissions and before the Federal Power Commission and in articles in trade magazines.

The problem of distributing utilities in coping with the rising cost of gas is not confined to those companies in the consuming States of the North. The problem is being faced by distributors in the producing States as well. Illustrative is the following statement made by Arkansas Louisiana Gas Co. in its annual report to stockholders for the year 1954:

The serious problem of increasing costs of purchased gas discussed in the annual report of 1953, became even more severe in 1954. These increased prices, together with increasing volumes required from purchased sources, have been a major factor in the decrease of the company's earnings. The system-wide average price paid by the company for purchased gas has increased from 4 cents per thousand cubic feet in 1949 to 9 cents per thousand cubic feet in 1953, and in 1954 increased to 10 cents per thousand cubic feet. The cause of this upward spiral is the tremendous competition for new gas reserves by the many long-line transmission companies serving other sections of the country, compounded by the fact that the development of gas reserves has not kept pace proportionately with the increased demand for natural gas throughout the United States. Competing companies are presently paying more for large gas reserves in the field under new long-term contracts than our company is receiving as a retail price from large industrial customers. This is a dramatic illustration of the company's inability to maintain adequate reserves with its present rate structure.

Now the big oil and gas producers are making an all-out effort to explain away these increases in the retail prices of natural gas and to shift the blame for such increases from their own shoulders. The producers' representatives, in their congressional appearances and through the so-called educational campaign which they have conducted in the press and by other means, have sought to show that the drastic increases in the field price of gas have had only a small percentage effect on the bills of the ultimate consumers and further that the field cost of gas itself is a small percentage of the total bill. It was implied that consumers were being gouged by the local gas utilities with the acquiescence of the State regulatory commissions.

These sorry diversions were part of a none-too-subtle scheme to turn public opinion into channels favorable for the exemption legislation being demanded of Congress. It was repeated over and over again that since these increases in retail gas rates were authorized by regulatory agencies, further increases in natural gas rates would surely be forthcoming if the producers were placed under regulation. In other words, rate increases according to them were the natural product of regulation.

Industry spokesmen cast the Federal Power Commission (which I, too, have had some occasion to criticize), the State regulatory commissions, and the distributing utilities in the role of the principal villains who were responsible for the increasing cost of gas to the ultimate consumer. Regulation of producer rates was described on the other hand as confiscatory and therefore destructive of our free-enterprise system, socialistic, and very close to communism.

Efforts were even made to cause a congressional investigation to be made of the transmission and distribution segments of the industry. It was charged by proponents of the legislation that interlocking relationships and combinations in these segments of the industry were responsible for the increases in gas rates, and not the producers.

They have cast aspersions on the cost of operations and profits of the regulated pipeline and distributing companies, which are a matter of public record. But no producers have come forward to reveal their own profits from gas-producing operations or furnish any comparison with pipeline and distributing profits which would clearly reveal the responsibility for rising retail gas costs.

Whether these unfair and diversionary tactics will pay off, of course, remains to be seen. I doubt, however, if the producing segment of the industry won any friends among the marketers of their product or shed any real light on the picture by such machinations.

### III

Spokesmen for the producers pitch their plea for exemption from regulation upon the proposition that the producing segment of the industry is intensely competitive and thus regulation is not necessary to maintain reasonable prices for natural gas.

If the industry really were as competitive as claimed, and if one could depend upon the natural processes of supply and demand to keep prices to the consumer at reasonable levels, neither I nor my colleagues could reasonably oppose the exemption. That is why the industry has worked so hard in its efforts to argue the slogan of "free enterprise" while ignoring the facts about the concentration of power within the industry. But competition of the nature claimed is not present, and an examination of the facts concerning the so-called independent producers and the conduct of their business of producing and selling gas will show that competition cannot be depended upon to protect the consumer against exploitation.

The latest available figures compiled by the Federal Power Commission show that in 1953 a total of 4,365 nontransporting producers sold natural gas to interstate pipeline companies reporting to the Federal Power Commission. These producers sold 4.249 trillion cubic feet to the pipeline companies. Abundant evidence of concentration in the production phase of the industry is found in the fact that of the 4,365 producers, 85.59 percent of the number, or 3,736, sold only 2.1 percent of the total gas purchased by the pipeline companies. Thus, only 629 producers, accounting for 14.41 percent of the total volume purchased.

Broken down even further, 90.7 percent of the sales were made by 174 producers. Twenty-nine producers—whose sales exceeded 35 million thousand-cubic-feet in 1953—produced almost two-thirds of the natural gas sold to interstate pipeline companies. The 29 largest producers who sell two-thirds of the natural gas are not a poor or impecunious group. Over half of them are on the most recent list of America's 100 largest industrial corporations. The argument used by industry spokesmen, that intense competition exists in the producing fields between many thousands of producers and that

reasonable prices of natural gas are thus assured, is not borne out by the facts.

The producing segment of the natural-gas industry, although not necessarily monopolistic in the legal sense, is certainly monopolistic in the economic sense. Natural-gas transmission lines are expensive. Their cost is estimated at from \$40,000 to \$100,000 per mile. They are not easily moved. Once they have been laid the interstate pipeline company is practically at the mercy of the producers. For these lines cannot be picked up and relaid to other fields to escape an increase in the price of gas or to secure gas at a lesser cost. Thus, the pipeline company buyer is a captive customer of the relatively few nontransporting independent producers who provide the overwhelming share of natural gas for the utility market.

There are other reasons why competition among the so-called independent producers is ineffective and furnishes no protection to consumers against unreasonable prices. The first is that there now appears to be a diminishing supply of natural gas and an expanding market. With demand exceeding supply, the result is a seller's market.

As evidenced by the testimony before the congressional committees and in the certificate and rate proceedings before the Federal Power Commission, the competition for natural gas is between buyers seeking a supply rather than between sellers seeking a market for their product. We have then a natural resource which is diminishing in relation to annual use and which is a necessity to most users, and, on the other hand, a demand which is increasing. Fair and reasonable regulation in such circumstances is necessary to protect the consumer against skyrocketing prices. Competition among producers cannot be depended upon to do so.

Second, because the large blocks of reserves which must be secured in order to make feasible any major expansion of transmission line capacity are held by the major oil companies who control most of the gas reserves in the Southwest, it is necessary for the pipeline companies to deal with these relatively few large producers. This also limits competition. Thus, if a pipeline company desires a large block of reserves it has no practical alternative but to go to the major producers and accept the prices which they dictate. The many thousands of small producers have been and will continue to be an ineffective source of competition in such circumstances. Moreover, while the southwest region supplies more than 95 percent of the gas supply of the interstate pipeline companies, more than 60 percent of the 4,365 producers are located in the Appalachian area which produces only 3.4 percent of the total gas supply.

The competitive situation in the gas fields in nowise resembles the normal competition involved in the buying and selling of commodities on the open market. If producers of coal or fuel oil raise their prices, buyers can use several transportation media to obtain supplies from other sources. Because of the high-cost fixed investment in gas transmission lines, the expense of tearing up a pipeline and laying a new one prevents the pipeline company from shopping around for lower prices. Thus, the type of competition which is present today in the gas fields does not and cannot operate to maintain reasonable prices of natural gas.

The almost universal inclusion of escalation clauses of one or more types in gas purchase contracts entered into in the last few years is conclusive demonstration of the lack of bargaining power on the part of pipeline companies. These clauses, which provide for future increases in the price of gas, many of them by reason of actions over which the buyer has no control, place burdens upon pipeline buyers which anyone having a free

choice of suppliers would refuse to accept. The evidence is clear that the pipeline companies had no choice. If they wanted natural gas they were compelled to accede to the demands of producers that such clauses be inserted in the gas purchase contracts.

The existence of such clauses in gas purchase contracts belies assertions by producer representatives that there is free and open competition in the purchase and sale of natural gas in the producing fields of the Southwest.

### IV

It has been asserted time and time again by proponents of this legislation that the regulation of independent producers is not feasible, that the cost of regulation will be staggering and the benefits, negative. I do not believe there is any merit to these assertions. Regulation of natural-gas companies—pipeline companies—who are engaged in exploration, development, and production of natural gas in most of the fields in which the nontransporting producers conduct their operations has been conducted by the Federal Power Commission since 1938. As a matter of fact, approximately 50 percent of the total number of gas wells in the United States are owned by pipeline companies reporting to the Federal Power Commission. Thus, the Commission has had considerable experience in dealing with a major producing segment of the industry and has successfully regulated that segment.

Since the Phillips decision by the Supreme Court, the Commission has been going forward with the regulation of the so-called independent producers. It has adopted rules and regulations. It has required the compliance filing of rate schedules and of applications for certificates. According to a press release of the Commission issued on March 10 of this year, 10,000 rate schedules of producers had been processed, and the situation was current.

While the certificate applications had not been processed quite so rapidly since each application requires a mandatory hearing, remarkable progress is being made in clearing up the backlog. Thus, there is no substance to the charge that regulation of producers is an impossible task which will bog down the Commission.

Some of us are quite willing, however, to reduce the regulatory burden very substantially by exempting the interstate sales of all those producers who sell for resale less than 2 billion cubic feet of gas a year. The 174 producers whose sales would be thus kept subject to Federal regulation sell more than 90 percent of the gas purchased for interstate commerce by the pipelines. I am confident that adequate protection can be afforded the consumers and distributing companies if regulation is concentrated on this major segment of the nontransporting producers.

No one expects the Commission to handle this regulatory task without some turmoil and strife. With less than a year of actual experience in processing rate and certificate applications filed by nontransporting producers, it would be too much to expect that all of the regulatory bugs have been eliminated and the problems solved. But these problems do not appear to be any more insurmountable than the problems and legal attacks which the Commission experienced after the Natural Gas Act became law in 1938. The road ahead may not be smooth, but at least the Commission has started on a task which, if it is permitted to complete the job, would be of immeasurable value to the people of the United States.

### V

The sponsors and proponents of the Fulbright bill and the Harris bill point to certain provisions of these bills as furnishing all the protection necessary to save natural

gas consumers from unreasonable rates. I have examined these alleged protections. My analysis shows they are ineffective, futile, and of doubtful legality, and will not work to protect the natural gas consumers. They were not designed to do so and are mere sugar-coating which has been applied to give the appearance of regulation without providing its substance.

One provision of the bill purports to give the Commission authority to disallow as an operating expense of the pipeline company that part of the price paid for natural gas in a new or renegotiated contract which is in excess of the reasonable market price. Aside from the doubtful legality of this provision (which would deny recovery through rates of payments made by a pipeline company in good faith under contracts entered into at arm's length), it is incomprehensible to me that the Federal Power Commission would require the regulated utility to suffer losses through the disallowance of payments in excess of the reasonable market price while the producers selling the gas were able to secure excessive profits under the contract arrangement. Such a proposal is illogical, unfair, and completely contrary to regulatory purposes. The results would be inevitable. Contract prices would be accepted as the reasonable market price. The proposed control is of no help whatsoever to the consumer.

Another section of the bill dealing with certain types of escalation clauses in existing contracts purports to relieve the pipeline company from paying producers any amount for gas which is in excess of the reasonable market price as determined by the Commission. This proposal flies directly in the face of section 1 of the Fulbright bill, which defines such sales as not being in interstate commerce. The validity of such proposal is very much in doubt, since it would appear impossible for the Federal Power Commission to regulate a sale by a producer to a pipeline company which Congress has declared not to be a sale in interstate commerce.

The reasonable-market-price standard, as it is defined in the bills and in the reports of the Interstate and Foreign Commerce Committees of the Senate and House, is of no practical benefit in providing reasonable natural-gas prices. This is so because as the standard is defined it can mean only the contract price which has been agreed upon by the buyer and seller. The reasonable-market-price standard is contrary to utility regulatory principles. Its adoption would result in no effective control being imposed on field prices of natural gas.

Moreover, these alleged consumer protections apply only where the pipeline company is seeking a rate increase from the Federal Power Commission. They do not apply to the pending rate increases or to the excessive contract prices which have already become effective. In my opinion, it would be far better to repeal the Natural Gas Act in its entirety than to give the natural-gas consumer the illusion that he would be protected by Federal regulation of the character proposed in the bills.

#### VI

The provision in the Fulbright bill requiring the Federal Power Commission to allow natural-gas pipeline companies owning gas reserves to include in operating expenses the reasonable market price of the gas produced from their own leases is nothing less than an invitation to the pipeline companies to pay higher and higher prices to the independent producers for the gas which they purchase, since such higher prices can be passed on to the consumer and at the same time act as a basis for increases in their profits from their own produced gas.

What possible justification can there be for this windfall to the pipeline companies?

As the pipeline companies and producing affiliates own more than 28 trillion cubic feet of natural gas, they stand to gain huge profits over and above a fair return under this section of the Fulbright bill. The values of their reserves will increase as the prices rise. An indication of the bonanza which will come their way is to be found in the 1954 annual report of Panhandle Eastern Pipe Line Co. to its stockholders. The report states that the company's owned reserves are carried at a book cost aggregating less than \$3 million, which the company estimates is approximately 1 percent of their replacement cost under present conditions.

In other words, natural gas reserves which cost \$3 million and the costs of exploration, acquisition, and development, of which the customers of the company paid through rates, would under the Fulbright bill be sold to their customers for 100 times that cost or \$300 million. Under these circumstances, how is it that the pipeline companies can be counted upon as guardians of the consumer interest in the purchase of natural gas from producers as some propaganda argues?

As a matter of fact, 7 of the major pipeline companies already have pending or have received rate increases from the Federal Power Commission based in part on the substitution of the commodity value or average field price of gas in the field, for their cost of production plus a fair return on producing properties devoted to the public interest. These requested or allowed increases cost consumers approximately \$40 million annually. The Fulbright bill would make this method of regulation mandatory. Thus the reasonable gas rates which consumers have secured over the years through regulation under the Natural Gas Act would be obliterated.

#### VII

What will be the effect on natural gas consumers if the oil and gas industry is successful in its campaign against fair and reasonable regulation? To answer this question we need only to look at the trend of gas prices in recent times and to statements by industry spokesmen that higher gas prices are anticipated.

We have seen that the average cost of natural gas at the wellhead in the Southwest has increased from about 5 cents to 10 cents per thousand cubic feet between 1947 and 1953. Prices in new contracts range from 15 cents to 24 cents per thousand cubic feet. These increases in the field cost of natural gas occurred in the absence of effective Federal regulation because of the Commission's self-denial of jurisdiction. In 1954 utilities sold approximately 5.8 trillion cubic feet of natural gas to ultimate consumers, an increase of approximately one-half trillion cubic feet over the volume sold in 1953. However, using a volume of 5 trillion cubic feet, a modest 5 cents per thousand cubic feet increase in the average cost of natural gas at the wellhead—a rise from 10 cents to 15 cents—would cost consumers an additional \$200 million a year. If the average cost of gas rises to 25 cents per thousand cubic feet, and this price has been indicated by industry spokesmen to be in range of what may be expected in the future, the consumer would be hit for \$600 million a year above present gas costs. This is the kind of bonanza which motivates the \$1,500,000 war chest which the industry has gathered to finance its campaign.

The attempt to minimize the impact of higher prices on gas consumers by saying "it will cost each family only a few pennies a day" is a shocking argument. Pennies extracted from the many will mean millions for the few. The whole purpose of rate regulation is to save modest sums for the

users of utility services by restricting profits to a reasonable level.

Much of the industry propaganda also argues that with no regulation there will be more exploration and more gas for consumers, the implication being that reasonable regulation will stifle discovery of natural-gas reserves. No reasonable person can believe, however, that the mammoth oil industry, whose discovery and marketing of gas is incidental to its exploration and development of oil, will ever stop or slow down or speed up its primary oil exploration work because the sideline, natural gas, is subjected to fair regulation. The exploration for oil and gas will not subside in any case.

This argument then gets down to an implied threat by the oil industry that it will waste or flare the gas rather than let it come to the consumers outside of the producing States under fair regulation. I just do not believe that the industry would be guilty of such a holdup, and I do not feel that Congress should fix national policy on the basis of such implied intimidation.

One final point should be noted: If the industry succeeds in gaining exemption from Federal regulation and the average prices at the wellhead increase from the present 10 cents to 15 cents or 20 cents or 25 cents, the industry stands to gain enormous windfalls from the increased value of the natural-gas reserves which they own. At the present time such reserves amount to about 210 trillion cubic feet of gas. An increase of only 5 cents per thousand cubic feet would result in an increase in the value of the gas reserves of over \$10 billion. If the prices go to 20 cents or 25 cents this windfall would be doubled or tripled. These are the vast sums which the industry stands to gain from exemption, and no one should be fooled by claims made in the name of free enterprise, freeing the small producer from Federal red tape, States' rights, or the sanctity of contracts.

Free enterprise is an essential part of our national welfare. It should by all means be preserved. But freedom of private enterprise and of contract cannot be allowed, nor has it ever been allowed, to supersede the public interest and justify exploitation of captive consumers by a noncompetitive supply system of a basic necessity. Wherever there is a conflict, it has been our traditional national policy to establish reasonable regulation to protect the public interest. That policy with respect to interstate sales of natural gas was established in 1938, and it should be preserved.

#### VIII

In summary, competition cannot be relied on to protect the consumer against exorbitant prices for natural gas. The industry is not really competitive at the production, transmission, or distribution levels. Once the pipelines and the gas mains are laid and the consumers have invested in appliances, a natural monopoly with captive customers is created. The natural gas industry is an industry affected with the public interest, and regulation has been and should continue to be applied. The industry has grown to the sixth largest in the Nation and has become extremely profitable. It will gain billions of dollars in windfall profits if it is exempted from regulation. It is an industry which already receives special tax treatment through the 27½ percent depletion allowance.

The industry seeks protection against loss by way of tax policy, escalation clauses, minimum wellhead prices, and conservation agreements, and at the same time complete freedom to charge what the traffic will bear to captive customers. It is my considered judgment that legislation should not be passed by this Congress, the effect of which will be complete nullification of the Natural Gas Act as an effective regulatory instrument.

## We Are Awake, Mr. Dulles

### EXTENSION OF REMARKS

OF

## HON. IRWIN D. DAVIDSON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. DAVIDSON. Mr. Speaker, in this morning's New York Times, I saw the headlines "Dulles Spurs United States in Economic War with Soviet Union." Our Secretary of State is quoted to the effect that in the cold war, he saw new emphasis on economic and social problems as the major turning point in the struggle between communism and freedom. He has asked the country to wake up to this very important new aspect of the foreign-aid program which he said our citizens had not yet sufficiently appreciated.

In a statement issued by the Secretary, he pointed out that the way to counter Soviet's efforts is "not by outbidding communism in sheer amounts of economic aid" but by making the newly independent nations of Asia feel that their needs can best be satisfied if they become and remain part of the free world. The importance of Mr. Dulles' observation is indicated by the statement "defeat in this contest would be as disastrous as a defeat in an armaments race." He characterized certain aspects of the Geneva talks as disappointing. He says, "We could lose this economic contest unless the country as a whole wakes up to all its implications."

Wake up indeed. I am glad that the Secretary has at last awakened to this shift of tactics by the Communists which I warned about in a speech in Congress exactly 6 months ago today. It was on July 12, 1955, that I tried to call attention to the new phase of the cold war, namely, the economic phase which Mr. Dulles now for the first time seems to be concerned with. Fortunately, it is not too late. But Mr. Dulles should know that some segments of our people have been awake for a long time. I take the liberty of inserting at this point in the RECORD my speech of July 12, 1955:

#### THE BIG FOUR CONFERENCE—NEW SOVIET PRESSURE

(Speech of Hon. IRWIN D. DAVIDSON, of New York, in the House of Representatives, Tuesday, July 12, 1955)

Mr. DAVIDSON. Mr. Speaker, I join with my distinguished colleagues in praying that the imminent conference at the summit which will be participated in by the Big Four may serve to encourage the recent seeming trend toward a reduction in the cold-war tensions. Our goal is peace. To achieve it, we shall and we must strive with all the strength and energy which, in the past, we have used to build America and to make it great.

The historic worldwide disregard for the Biblical commandment, "Thou shalt not kill," has brought us now to the point where if once again we take up the arms of war, we shall surely kill ourselves. And yet our President must go to Geneva fortified and backed by strength. There can be no relaxation of our preparedness. It has undoubtedly been our relentless struggle to maintain a sound military posture which

has finally brought this first glimmer of hope in the cold war. To relent now would be to make those years of sacrifice count for naught. Make no mistake, the cold war has been costly, and we have sacrificed much in the waging of it. Our schools and children have suffered as a result. Economic and technical assistance here at home and abroad have taken second place to military preparedness.

The proof of this is the new Soviet approach. They have failed to frighten us by bluster and calculated military gambits. They were stopped in Korea because President Truman had the courage and foresight to see that failure to respond to the invasion of South Korea would mean the eventual fall of one friendly nation after another into the Soviet orbit. He saw also that it would spell the end of the United Nations. We won a round on points, but the struggle is far from over. This is one of those old-time, no-holds-barred affairs and we are now entering another round.

Among the mail which I received yesterday were appeals from natives of 2 captive countries now dominated by Russia. The Committee for Hungarian Liberation wrote calling attention to a provision of the Hungarian Treaty of Paris which provides for the withdrawal of the Russians from Hungary within 90 days after the evacuation of Soviet troops from Austria. Here it would seem exists a sterling opportunity for Russia to give evidence of its sincerity at the Geneva Conference in the light of the recent Austrian Treaty. I also received a copy of the plea for Polish freedom which was sent to the President.

The liberation of enslaved peoples must continue to be a basic objective of American policy.

In yesterday's mail, we received the next to last report to Congress of the operations under the Mutual Defense Assistance Control Act of 1951. This report emphasized the new sphere of attention in the cold war and reverts to the course which was staked out by General Marshall and President Truman. In this report, we read of the recent developments in Soviet-bloc foreign economic activities, especially in underdeveloped countries. The report graphically describes the Soviet attempts at economic penetration so we see that where the way to military expansion is barred, Communist Russia switches to conquests through economics. The goal is the same. The targets are the same, conquest and enslavement of the world, starting with the most susceptible areas.

The Marshall and Truman plans outlined our defense in this field. We have recently approved a new foreign-aid program. As I said when the bill was before us, its primary emphasis was on defense support, and I felt that the development assistance and economic and technical aid portions were not large enough. These should be increased and our efforts directed toward the new arena in which the world struggle is now patently being waged. Please do not misunderstand. I do not mean that we can in any way reduce our military preparedness. The Russians will maneuver to strike in whichever field they think there is the most chance of success. They are shifting to the economic field now and we must move with them. In fact, I urge that we move ahead of them and beat them at their own game.

The underdeveloped areas of the world are ripe for subversion and subtle economic pressure. Japan needs markets for her goods. Britain, France, and Germany likewise. As do Israel and Egypt. The Arab States, Asian countries, and the South American Republics need to import and export many goods. The smaller countries need aid in building up their lands. They need technical advisers on modern methods of farming and construction. They need schools, books, and

most of the commodities which we have come to regard as necessities. To them these commodities are luxuries, enjoyed only by the very rich. Unless we help them to help themselves, we will lose this next round, and if we do, the loss is just as efficacious as if an army of Soviet troops had marched into these underdeveloped areas of the world.

We may view this in a sense of enlightened self-interest for if these depressed and possibly envious countries cannot support an adequate standard of living, they will be unable to buy the goods we produce and which we must sell for our own well-being. This country is not self-sufficient. We must import many essential supplies. We must export much to sustain our industry and continue a high level of employment. In short, we need friendly free nations throughout the world with which we can trade. If we fail to help these countries now, the Russians will see to it that they drop into the Communist field of influence and become lost to us as friends and economic partners forever.

At Geneva we must be prepared to deal with the Soviets in language they understand. We must be strong militarily and we must be strong economically. We can expect a concerted effort by the Communists to expand their program of conquest by economic subversion. I believe that that will be the base strategy of their participation in the conference at the summit.

We can win this phase of the cold war in a walk if we try. We are world champions in the economic field. We have the know-how, the ability, and the wherewithal, which the Russians cannot acquire in a hundred years regardless of what the Pravda propaganda machine might say. The important thing is that we must understand what the Russians are trying to do. We must at all times keep our attention fixed upon their motivation notwithstanding sweet talk, lessening of tension, or even a few good deeds. We must be willing to be fair, but not fooled. We must be kindly, but not kidded. We are justified in having faith in ourselves, albeit our trust must repose with the Almighty.

We are awake, Mr. Dulles; who do you really believe has been asleep at the switch?

## Highway Legislation

### EXTENSION OF REMARKS

OF

## HON. BRADY GENTRY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. GENTRY. Mr. Speaker, under leave to extend my remarks, I include the following address made by me to the annual convention of the American Automobile Association in the city of Washington on September 21, 1955:

President Sordoni, members of the American Automobile Association, ladies and gentlemen; it is unfortunate that the highways needed by today's traffic will cost so much money. It can hardly be denied that most of our main highways are grossly inadequate and are causing our motorists great losses in time, deaths, injuries, and destruction to property. While we are told by eminent authorities that it will cost motorists more in actual dollars and cents to continue using our present roads than to pay the taxes necessary to modernize and then enjoy good thoroughfares, recent happenings in the Congress are proof that modern highways are no early certainty.

Several points of difference on this problem seem to divide us. A few say that our 40,000 miles of most important highways comprising the interstate system do not need the major treatment outlined in the Highway Advisory Committee plan. Others contend that the interstate system deserves no better treatment than the remaining 700,000 miles of the Federal-aid system. While these groups helped defeat highway legislation, they constituted a minority of the opposition.

There is little question that the problem of financing caused the major opposition to this legislation or served as an excuse for such opposition. Since that problem must be resolved if we are to secure favorable results, let us proceed to its discussion.

The President, speaking through Vice President Nixon at a Governors' Conference in July 1954, called public notice to the need of a modernized system of highways. Subsequently the President appointed an advisory committee and named General Clay as chairman.

The advisory committee forthwith appointed a staff, comprised of highway and financial experts. Characteristic of the committee approach to this problem was the instruction to the staff that it evolve a plan that would spend \$25 billion on highways without increasing taxes or debt.

Just think for a moment! Spend \$25 billion without increasing taxes or debt! Your reaction must be that that simply could not be done. It would seem to be an utter impossibility. That a solution was even claimed is a credit to man's ingenuity.

Generally, what would the advisory plan, as formulated by the staff and committee, and recommended by the President, have done? It established a Federal Highway Corporation with a board of 5 members, 2 of whom were the Secretaries of Commerce and Treasury, or their representatives, the other 3 being public members. In the event of dispute this board, instead of the Bureau of Public Roads, would have final authority in road location, kind of roads, etc.

The board would issue \$20½ billion in bonds, with interest of \$11½ billion or 55 percent of the principal. Each bond would disclaim Government responsibility for its payment. The bonds finally would be retired in 1987 from a 32-year dedication and so-called capitalization of the Federal gas, diesel and lubricating oil taxes, taxes now levied as general revenue.

No revenues from these taxes would be available for construction between 1965 and 1987, all revenues in that lengthy period being pledged for payment of the \$20½ billion in bonds and their \$11½ billion interest.

The money derived from these bonds, plus \$4½ billion, would pay the Federal Government's \$25 billion share of construction in 1955 to 1965 of the interstate system.

In addition, regular Federal aid, now \$700 million, would be set at \$600 million and frozen at that yearly figure for the next 32 years.

Up to the present, every dollar expended by the Government on roads has been subject to authorizing legislation by Congress, full budgetary control, complete appropriation procedure, has been paid out of general revenue, and accounted for within the statutory debt limit. Such is the pattern of present Federal financing.

The advisory plan would discard each and every one of these safeguards of responsible financing. It would effectuate a complete and revolutionary departure from fiscal fundamentals and long recognized principles in Government practices.

If we dedicate to highway purposes taxes heretofore levied as general revenue, it could be adopted for a host of other purposes and finally result in the complete destruction of congressional authority over the appropriation of public funds. Actually the revenues

from these particular taxes, in effect, have already been capitalized. They were capitalized, along with all other revenues from present Federal taxes, by the issuance of \$280 billion in obligations by the Government with such tax revenues as security. What is being attempted here could result in stripping these \$280 billion in obligations held by our people of every bit of security by reason of which they purchased them.

This Highway Advisory Committee or Clay plan would create a dummy corporation—one without assets but with authority to issue \$20½ billion in bonds. And, although an entirely Government-owned corporation, it would recite in each bond that it was not a Government debt. Regardless of the facts, including contrary language in the bill incorporating the plan, it was claimed that this recital in the bonds eliminated their having to be shown as a part of the public debt, necessitating debt increase legislation by Congress. Yet, Government witnesses appearing before our committee, while disclaiming the bonds as Government debts, immediately hastened to add that the Government would have to pay them. But why, since we must pay them, should we say in the bonds that they are not debts of the Government when it causes our taxpayers to have to pay hundreds of millions of dollars in needless interest? Mr. Humphrey testified that this recital alone would increase their interest from one-eighth to one-half percent, or by \$475 million to \$1,900,000,000.

Just what does the legislation incorporating the advisory plan provide regarding the debt character of the bonds? It first stated that each bond must contain a recitation that it was not guaranteed by the United States and that it was not a debt or obligation of the United States. This recital of itself would restrict the bondholders to the revenues dedicated to bond payment.

In the very next section of the bill, however, it recited that the corporation could call on the Treasury for \$5 billion when tax revenues were insufficient for debt service. That positively and irrevocably guaranteed \$5 billion of the bonds and made them a debt of our taxpayers, regardless of the prior provision. But that is not all.

In the following section, it made the entire bond issue a lawful investment for fiduciary trust and public funds of any officer of the United States, including the Secretary of the Treasury. That meant that any Government funds, including social security and unemployment insurance funds, could buy these bonds. There was no restriction as to when they could buy them. Seemingly, it could be when offered by the Highway Corporation or when offered by some bond house originally purchasing them.

Even though it is contradictory, if not questionable, for bonds reciting that they are not Government obligations to be made eligible for investment in all Government funds, was this not an assurance to bond buyers that these bonds were recognized as Government obligations and would be paid by the Government? Was not this meaning made clear by Mr. Humphrey's public assurance that the Government would pay them if the tax revenues were insufficient? Under this provision, the Treasury's purchase of these bonds would, in effect, constitute a payment of them by the Government.

What was the testimony of Government witnesses concerning this? In effect, here is what they said:

"These bonds are not debts or obligations of the Government, but they are moral obligations, and the Government will, of course, have to pay them. It will have to do that to protect its credit."

Doesn't it seem unusual that anyone would question classifying as debt something which they say the Government must pay?

Just why would the Government have to pay them to protect its credit? Both because they are issued by a solely Government-owned corporation and because it obligated itself not only in the \$5 billion provision of the bill but in the succeeding provision making them eligible for investment in all Government funds.

What was the result of all this mumbo-jumbo of the committee plan? Everybody got what they wanted. The Treasury could rely on the recital in the bonds that they were not Government debts and thus say that neither the debt nor debt limit would be increased. The bond buyers, regardless of the bond recital, could rely not only on the further provisions of the legislation which did obligate the Government but also on the assurances of the Secretary of the Treasury that the Government would pay them. Who was losing by all this financial word-juggling? You taxpayers were losing and so was responsible fiscal policy.

If the Government is to do further major deficit spending, there should be no question of its true character and it should mean the same thing to all people. Mr. Humphrey, as Secretary of the Treasury, can issue these bonds in the same number, of the same denomination, of the same maturities, at the same time, just as he can as the guiding member of the Highway Corporation Board. He can pay each bond of the same number, same denomination, same maturity, with the same funds from the same bank, and on the same date, just as he can as a Board member. Whether done by him as Corporation Board Member or as Secretary of the Treasury, it is deficit financing, pure and simple.

The great difference would be that our taxpayers would pay a penalty up to \$1,900,000,000 in additional interest if it is done through the Highway Corporation. But the greatest loss would not be this large sum in unnecessary interest, great as it is, but the deadly precedent it sets in fiscal policy. In passing, it seems worth noting that before announcement to the public was made of the advisory plan, a convocation of investment bankers from New York and Chicago was held in Washington to consider the unusual language of its bond provisions.

The idea of the Federal Highway Corporation is represented as the easy way. It is the painless solution. It would have us believe we are getting something for nothing—billions in highways, without debt and without taxes. What could be more vicious in its evil potentiality for a Government's fiscal soundness? It could be the beginning of a chain of Federal corporations, each nibbling away a portion of the Government's general revenues which, even during the boom time of the last few years, still have been insufficient for us to live within our income. The danger is illustrated by the fact that a newspaper of the integrity of the Christian Science Monitor suggested in a front-page article a few days after the advisory financing plan was publicized that the billions needed to correct the schoolroom shortage might also be solved through the organization of a Federal School Corporation and assigning to it part of the present general revenue of the Treasury for dedication and capitalization. No specific taxes were suggested to be taken from the Treasury for this purpose. It could be the cigarette tax, or 5 percent of the income tax, or 10 percent of the corporation tax, or all or part of any tax now levied for general-revenue purposes. Just what will happen to the present manifold obligations of the Government if a great portion of its revenues are assigned to newly organized Federal corporations in order to secure new or greatly enlarged services? If this precedent is established, there is no earthly reason to doubt that other Congresses might utilize it to effect possible demoralization in Government financing.

Has the Congress ever passed legislation disclaiming the obligations of its corporations, while Government officials insisted the Government would pay them? In a recent release Senator BYRD, Senate Finance Committee chairman and long experienced in Government finance, said:

"I have searched the records and never before has such a proposal as this been seriously considered by the Congress."

The Senator aptly characterized the advisory plan when he said:

"We must remember that we cannot avoid financial responsibility by legerdemain nor can we evade debt by definition."

Comptroller General Campbell was appointed by President Eisenhower only last year. It is a duty of the Comptroller to prevent irregular action by Congress and the executive department. Testifying before the Senate committee considering highway legislation, Comptroller Campbell, with understandable restraint, said:

"We feel that the proposed method of financing is objectionable because the result would be that the borrowings would not be included in the public debt obligations of the United States."

"The total amount of borrowings by the corporation would amount to the very substantial sum of \$20½ billion and, in our opinion, would be borrowings of the United States Government, irrespective of the terminology applied."

"It is our opinion that the Government should not enter into financing arrangements which have the effect of obscuring the financial facts of the Government's debt position."

The President appointed a Commission on Intergovernmental Relations in 1953. Composed of many of America's ablest minds, it was directly to examine the role of the National Government in relation to the States. Making its report last June, after long and careful study of the advisory committee plan, it said:

"The Commission recommends that the expanded highway program be financed substantially on a pay-as-you-go basis and that Congress provide additional revenues for this purpose, primarily from increased motor-fuel taxes."

"The effect of our recommendation on highway aids will be to increase Federal expenditures. An increase in taxes is preferable to deficit financing as a means of supporting major highway outlays by the National Government. The latter method would result in high interest charges and would shift the burden to citizens of future generations, who will have continuing highway and other governmental responsibilities of their own to finance."

You are told to accept the advisory plan, pay as you use, and your days of worry are over. It is presented as solving the problems of the interstate system and regular Federal aid, with no additional taxes and no additional debt.

I should now like to try to show you that in addition to all its dangers to sound fiscal policy, it is fatally defective for a second reason, the basic one that it does not solve the problems of the interstate system and Federal aid for 32 years but actually will involve us in an even more difficult position than we are in today.

Regular Federal aid for the current year is \$700 million. Considering the great traffic problem and the Government's responsibility as prescribed by our Constitution, I doubt if this sum is reasonably sufficient for the Government's contribution to the 700,000 miles of the regular Federal-aid system. But, granting that it is reasonable today, what would be reasonable Federal aid in 1987, one-third of a century hence, a year in which the advisory committee tells us that traffic on the highways will be more than twice as great as that today. Based on these figures, would not \$1,500,000,000 be modest Federal

aid in that faraway year. Starting with \$700 million in 1955 and increasing Federal aid \$25 million yearly would attain the figure of \$1,500,000,000 in 1987, which was a provision of the Fallon bill.

What does the advisory plan do on regular Federal aid? It sets Federal aid at \$600 million for 1955 and freezes it at that figure through 1987, decades after it would be a mere pittance. Why does it do that? It had to because its plan for capitalization of the gas, diesel, and lubricating taxes would not permit more after meeting bond and almost \$12 billion interest payments. How much deficiency, then, is created in construction on the regular Federal-aid system by reason of insufficient aid from 1955 to 1987 under the facts here outlined? The answer is \$16,700,000,000.

Now, let's revert to the interstate system, also supposedly solved for 32 years. Not one cent would be available from the capitalized revenues with which to do additional construction on the interstate system during the period 1965 to 1987, almost a quarter of a century. Remember that some of these roads would be constructed in 1955, 32 years before, and that all of them would be constructed by 1965.

On the interstate system 7,000 of the 40,000 miles will be constructed as two-lane roads because four lanes are not now required. What does the advisory plan do for that portion of these 7,000 miles on which the impact of more than doubled traffic will necessitate four-lane highways before 1987? Much of these 7,000 miles will need to be four-laned before that time.

What about the four-lane roads on which mounting traffic before 1987 necessitates six-lane highways? Thousands of miles will fall into this category.

What about those interstate routes where tremendous traffic increases necessitate additional parallel highways before 1987? There will be many of these. The advisory plan would leave traffic in a complete state of strangulation on four-lane highways falling in this category.

What would the advisory plan provide for interstate roads constructed between 1955 and 1965 which will have to be newly constructed long before 1987? Actually, how many miles of interstate highways constructed in the year 1955 would have to be reconstructed before 1987? Certainly many of them. What about those that would be constructed in 1956? In 1957? In 1958? The advisory plan does not meet this serious problem. If not met by the Congress, much of the traffic on the interstate system in 1987 will be traveling on jagged, broken concrete.

Do I exaggerate the insufficiency of the advisory plan as to the interstate system? I have here House Document 120 entitled "Needs of the Highway Systems, 1965-84," a report from the Bureau of Public Roads.

On page 14 it shows that if the interstate system is constructed between 1955 and 1965, additional construction, not maintenance, will be needed thereon between 1965 and 1984—not 1987—of \$9,700,000,000. The advisory plan makes no provision whatever for that. Its revenues in that period are paying bonds and interest.

Let's estimate that construction deficits on the interstate system up to 1987 are \$11 billion, probably an underestimate. The two deficiencies, therefore, that on the interstate of \$11 billion and that of \$16,700,000,000 on the Federal-aid system, total \$27,700,000,000. But that is what it would have cost had it been done as the need materialized. Based on experience, what would it cost in 1987 to then build the roads which could and should have been constructed for almost \$28 billion during the previous 32 years? It would be quite a sum, probably not less than \$35 billion.

But, that is not all. What about the losses suffered by motorists in time, deaths, injuries, and property destruction solely be-

cause \$28 billion in needed highway construction is left undone over a 32-year period? That would be many, many additional billions.

So, how do we stand in 1987 under the advisory plan? Will we not have woefully failed to meet the problem that was so obvious back in 1955?

What do these facts mean? They mean that we have never had enough available tax revenue to build the highways we needed; that we don't have enough available tax revenue today; and, that we delude ourselves if we think we will solve this problem by deficit spending through bond issues. If we do this, we simply compound our problem by using a part of insufficient and greatly needed revenue in paying interest.

In seeking an answer to our problem, let's consider recent statements by two men distinguished in the automotive field.

James J. Nance, president, Automobile Manufacturer's Association, appeared before the House Public Works Committee. He showed that the losses of motorists occasioned by inadequate roads amount to \$5,300,000,000 yearly; \$2,600,000,000 of this loss is on the interstate system. The Fallon bill, the last highway measure to be voted on recently, would have imposed taxes of three-quarters of \$1 billion annually, only one-quarter of the yearly loss being suffered on the system which it would have modernized, a modernization that would have eliminated all labor, gas, brake, and tire losses due to inadequacies, and a major portion of the thousands of deaths and hundreds of thousands of injuries occurring each year on that system.

In a New York City address last February 14 before the Switzerland Road Commission, Karl M. Richards, head of the motor truck division of the Automobile Manufacturer's Association and secretary of its highway policy committee, said that the commercial trucking industry would save \$1,450,000,000 yearly in labor, gasoline, tire and brake economy by the construction of the interstate system. This yearly saving would have been twice the amount of yearly taxes imposed in the Fallon bill, not on just the commercial trucking industry but on the entire 60 million automobile, small truck, and commercial truck owners. The Fallon bill not only would have modernized the interstate system in less than 16 years, it would also have provided reasonable Federal aid for the regular Federal aid system.

It seems material in this connection not only that Mr. Richards and Mr. Nance both stated that motor transport income is now over \$50 billion annually, but that the commercial trucking industry can pass on increased tax charges, a privilege not available to a majority of other motorists.

If we do not build these roads, our motorists must continue suffering losses each year of several times what it would cost to construct, within a relatively short time, a modern interstate system that would, if reconstruction and expansion is provided for, eliminate further inadequacy losses forever.

Nothing would seem more unjust to the automobile and small truck owner than to have road construction financed almost solely by a gas tax, now that the Government for the first time contemplates major highway expenditures. The fact that a heavy vehicle derives more than four times as many ton-miles from a gallon of gas than does an automobile makes a gas tax a very highly inadequate measure of road use for the former. This disparity is further emphasized by the fact that the heavy truck carries an axle load of approximately 10 times that of the automobile and its weight is 18 times as great. This disparity is multiplied many times in related damage to highways.

Would it not, therefore, seem that the course which we should follow was charted in the Fallon bill which was rejected? Surely we will not at this late date take the easy road

by yielding to fear and political expediency. That will never get us the highways our motorists need and should have. Certainly we ought to do that which will neither involve us in deadly precedent nor lead us into fiscal irresponsibility. Neither should we accept a plan that is wholly insufficient and can only result in growing highway inadequacies and greater financial losses. We need legislation that is not only fiscally responsible, but also equitable as between various road-user groups. It should not be sufficient for a season only, but that which will give us the highway system required today and permit expansion as it is needed on tomorrow. Then and only then can we say that we are on the high road to solving our highway problem.

### Excise Tax on Nonhighway Gasoline to Farmers Should Be Repealed

#### EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. JENKINS. Mr. Speaker, a few days ago I introduced a bill which I think will be of great interest to the farmers of the country, and which I think will tend to relieve the complaints made by the farmers with reference to legislation heretofore passed that has been to their disadvantage. My bill, H. R. 8259, is a bill to amend the Internal Revenue Code of 1954 to relieve farmers from the payment of excise tax on gasoline and lubricating oils used exclusively in farm tractors or farm machinery or for other agricultural purposes. A copy of this bill is as follows:

*Be it enacted, etc.,* That section 6416 (b) (2) of the Internal Revenue Code of 1954 (relating to special cases in which taxpayments are considered overpayments) is hereby amended by striking out the period at the end of subparagraph (H) and inserting in lieu thereof "; and", and by adding after subparagraph (H) the following new subparagraph:

"(I) in the case of gasoline and lubricating oils, used or resold for use exclusively in farm tractors or farm machinery or for other agricultural purposes."

SEC. 2. The amendments made by the first section of this act shall apply only with respect to gasoline and lubricating oils sold by the manufacturer, producer, or importer thereof on or after the first day of the first quarter which begins more than 10 days after the date of the enactment of this act.

Immediately following the introduction of this bill I made a public statement, which is as follows:

I have just introduced a bill to carry out the recommendation of President Eisenhower that the Nation's farmers be relieved of the payment of Federal excise taxes on purchases of gasoline and lubricating oils used exclusively for agricultural purposes. This recommendation was contained in the President's farm message delivered to the Congress.

Many States already exempt farmers from their own gasoline tax. I believe that the time has come for the Federal Government to grant a similar exemption. The present Federal taxes on gasoline and lubricating oils simply go to increase the farmer's cost of production. As a result, these taxes con-

tribute to the price-cost squeeze from which our farmers are suffering today.

I shall press for prompt and favorable consideration of my bill.

This legislation which I have proposed has met with the approval of practically all of the farm organizations and farmers of the country who know about it.

The American Farm Bureau was anxious to have this information sent out to its members all over the country and to accomplish this their representative, Mr. John F. Lewis, arranged for radio time, and, as a result, I made a statement for the radio which I hope was heard by farmers all over the country, because they are very much interested in this matter:

This is what I said over the radio:

For some years the farmers of this Nation have had to pay Federal taxes on the gasoline used on their farms.

Since the inception of this levy, it has been pointed out that this is unfair taxation since the revenues derived are usually utilized to finance the construction of highways and in no sense provide any direct benefit to the man who is running a tractor or other farm equipment on his farm.

I have been impressed lately by the efforts of the membership of the Farm Bureau in my State of Ohio and other farm organizations across the Nation in having taxes on non-highway-used gasoline repealed.

It was heartening to me to hear the President endorse the repeal of these unfair taxes in his farm message to the Congress.

In connection with this I have introduced, and will push to enactment, a bill, H. R. 8259, to carry out this recommendation of President Eisenhower.

Farmers use an estimated three billion gallons of gasoline on their farms and ranches in the United States each year.

If my bill becomes law, it will save the farmers of this Nation some \$60 million annually in relief from the present 2-cent Federal gas tax. If, under pending proposals for financing an expanded Federal highway building program, the tax is increased to 3 cents, my bill will save farmers \$90 million a year.

I am happy to have sponsored this bill which embodies recommendations strongly advocated by the farmers in Farm Bureau and other farm organizations in the country. This is something in legislation that they have long sought, long deserved, and should have.

Mr. Speaker, I hope the Congress will give immediate consideration to this very appropriate and very necessary legislation.

Address by Hon. John W. McCormack, of Massachusetts, at Butler County Democratic Committee Annual Dinner, Butler, Pa.

#### EXTENSION OF REMARKS

OF

HON. THADDEUS M. MACHROWICZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 12, 1956

Mr. MACHROWICZ. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

Mr. Toastmaster, distinguished and invited guests, my fellow Americans, and fel-

low Democrats, I am highly honored in your invitation to be with you tonight, and to participate in and address this gathering of fine Americans and Democrats.

I am happy to be in the district represented so ably in the Congress by my friend and colleague, Congressman FRANK CLARK. The people of the 25th Pennsylvania Congressional District are justified in being proud of Congressman CLARK. His ability, sincerity, and devotion to duty have already made him an outstanding Member of the national House of Representatives. He enjoys the respect and confidence of his colleagues and of the Democratic leadership; Speaker RAYBURN and myself.

It is in the best interest of a district to keep a public official like Congressman CLARK in office, giving him seniority and prestige, and enabling him to broaden his service for district, State, and Nation.

I am pleased to be again in Pennsylvania where I campaigned in 1952 for Governor Leader, the State ticket, and congressional candidates. In Governor Leader Pennsylvania has a chief executive of whom you can be proud. His leadership is outstanding. He has already made a national name for himself, and it is growing rapidly. His ability, coupled with his humbleness and simplicity, is most noticeable.

I am so glad to see again and to pay proper tribute to one who, with her distinguished brother, has given a lifetime of service to the Democratic Party—your fighting national committeewoman, Mrs. Emma Guffey Miller. No tribute from anyone is too great for her.

All of us feel very sorry for the President and Mrs. Eisenhower in the President's illness, and we sincerely hope and pray for his rapid improvement and recovery to good health.

The President's illness is most unfortunate at this time in the world's history, because no one, under our constitutional setup, can decide and act as can the President. It is difficult to substitute anyone else, or a council, or a committee, or whatever a group might be termed, for the President. The battle for position—the conflict of interests—the ambition of individuals—human emotions—and efforts of groups within the administration and the Republican Party to gain control of the party machinery, and control the next convention, particularly if the President is not a candidate for reelection, comes into forceable operation with dividing results.

During the President's illness the Democratic Party will do everything possible to stabilize conditions, and particularly in the field of foreign affairs, to give strength to our policies and our position. We can and we will render, if consulted, outstanding service for our country, because particularly in the field of foreign affairs the Democratic Party is united, while the Republican Party, unfortunately, is sharply divided.

I look in the next several months for the GOP Old Guard and the Republican isolationists to come out of their political underground where they were driven by President Eisenhower.

The Democratic Party in Congress will continue its constructive attitude. However, the responsibility for policy and action will rest upon the Republican administration, which controls the machinery of our Government. While we will be a cooperative and stabilizing influence, that does not mean that we will not comment or constructively criticize the domestic and foreign policies of the present administration. Under our constitutional form of government it is our duty to do so, and we shall not fall in our duty to the people.

In 1952, the Republican candidates ran against the Democratic Party. They played upon every gripe and dissatisfaction possible, and some of their candidates for high office,

and I refer particularly to Vice President Nixon, resorted to statements that were not only undignified and unfair, but false. If some person stated that some of his charges were contemptible, I would not challenge such an assertion.

In 1956, the situation will be different. The Republican candidate for President, and other Republican candidates, will not be able to run against the Democrats—they will have to run on the record of their own administration. They will not be on the delivering end in 1956.

And the Republican record is one of broken promises.

Let me refresh your memory on some of their broken promises.

1. A balanced budget. They are now frantically, for campaign purposes, after 3 years, trying to balance the budget in this fiscal year, and it can only be done at the expense of our national defense and our national security.

2. To reduce the national debt. Instead, it has been increased.

3. To be fair to labor. We find instead the stacking of the National Labor Relations Board, a majority of which members have administratively made decisions adverse to labor. What about the promise made to labor to amend and remove the harsh provisions of the Taft-Hartley Act? The promise was made—amendments were drafted which labor would not oppose, and before the President sent his message to Congress, someone "leaked," and big interests immediately opposed. The message was never sent to Congress. You will remember that former Secretary of Labor, Martin Durkin, a great man, and the only Democrat in the Cabinet, resigned over this broken promise.

4. The promise to the farmers of our country. Everyone knows what has happened to our farming communities under the present Republican administration. It will be remembered that the Republicans promised to reduce farm surpluses and also to reduce losses to the farmer. Instead, under the Republicans, there is reduced farm income, and in the last fiscal year—the largest loss in the history of the farm program, in the sum of \$799 million. And after nearly 3 years of Republican control, the only excuse they can offer is to still blame the Democrats.

5. The promise to give fair and equitable treatment to small and independent businesses. Instead, we find Government contracts sharply reduced; bankruptcy among this group sharply increasing; mergers; and the frantic desire for "bigness" running rampant, resulting in a "squeeze play" upon this important segment of our society. When the Republicans terminated the Reconstruction Finance Corporation, which was very helpful to this type of business, they established the Small Business Administration; but, by law, curtailed its ability to act effectively. I can say with pride that in the last session, the Democratic Congress, despite Republican opposition, extended this law, and in a manner where this important segment of American business can receive fair and effective consideration. One illustration is that we increased the maximum loan capacity from \$150,000, under the Republican law, to \$250,000, under the Democratic measure. We also struck out other restrictive provisions of the Republican law.

6. The promise made to help, through contracts, labor-distressed areas. Under the Democrats we allowed a certain differential in bid price to firms located in such areas; as well as to small and independent businesses. Under the Republicans, this was wiped away.

7. The new military look. Our Army and Navy and Marine Corps have been sharply reduced, particularly our Army. And the Communist leaders in the Kremlin smile and slap some of our officials on their backs and boast openly that they are still intent on

world revolution and world domination—with the determination and hope of taking over by internal subversion nation after nation in an effort to try and have America alone in the world.

8. Massive retaliation. Do you remember that promise? There has been a constant retreat from that to "peaceful co-existence"; then, "peace through trade," later, "cooperative peace"; and now, we have reached the policy of "no force"—whatever that means. To other free countries that is construed as weakness, uncertainty, and even appeasement.

9. To unleash Chiang Kai-shek. Do you also remember that promise? Everyone was led to believe that this meant that forces of Nationalist China would invade Red China in an effort to defeat the Red Chinese and regain continental China. The present administration has retreated from that dynamic policy, widely proclaimed, and widely acclaimed. And now Chiang and his forces are tied to Formosa and the Pescadore Islands, and in fear of further restrictions.

I could talk of other policies such as agonizing reappraisal directed at the time it was uttered toward France. And as we view the evidence since the meeting at the summit, it is apparent that we should undergo an agonizing reappraisal of our present situation.

While the Democratic Party has shown great statesmanship in its bipartisan cooperation, it is the right and the duty of the Democrats—in fact, members of both parties—to speak out and to alert and warn the people.

It was only the other day that Admiral Radford, Chairman of the Joint Chiefs of Staff, called for the maintenance of great "military and moral strength" and that "for the time being"—and that may be for a very long time—"our job is to stay strong and help our allies to stay strong." And Admiral Radford said further, "Never has the need for unity among nations been so great. Now is not the time to relax our vigilance."

Both President Eisenhower and Secretary Dulles have repeatedly said that the intent of the Communists for world revolution and world domination has not changed.

Only a few days ago, Senator KNOWLAND, Republican leader in the United States Senate, in lashing out against the Soviet Union, said, "There is no reason to believe there is any change in the basic premise of the Kremlin. There has been no demonstration of a change by deeds. They lie, cheat, and violate agreements and other things."

And what better evidence can we get than from what recently came from the lips of Khrushchev, the present No. 1 Communist leader in the Soviet Union, while speaking on September 17, 1955, only a few days ago, to the East German delegates to Moscow, in observing that since the Geneva Conference people in the West have talked about how the Soviet leaders now smile, said, "That smile is genuine, it is not artificial. We wish to live in peace, tranquilly." Then he warned, "If anyone believes that our smiles involve abandonment of the teachings of Marx, Engels, and Lenin, he deceives himself poorly. Those who wait for that must wait until the shrimp learns to whistle."

And yet, in the light of this fact, there are some persons in America who believe that the Communist leaders in the Kremlin are sincere in their desire for peace.

Yes, the Communist peace of submission to communism, of enslavement, persecution, imprisonment, and death—but that is not our peace, the peace of men and women who desire and are determined to be free under God and under law.

We read of the spirit of Geneva. What should concern us is not words, but deeds and results that flow from Geneva. And if we are frank with ourselves we can only view the results to date with great concern. We should be greatly concerned about what is

self-evident to anyone who is honest with himself:

1. The free world is being lulled into blissfulness, which is what the Communists want, and

2. The Communist leaders in the Kremlin are showing and convincing captive peoples—and even Russians who oppose communism—that they are forgotten by their Western friends, and that they had better accept as final their fate under communism.

The policy of peace through strength, which the Democratic Party stands for, with a consistent policy of military strength and power, and firm diplomatic policies, is the best course for America and the free world—not frequent changes and shifts, or signs of weakness, such as "massive retaliation" of about 3 years ago, to "no force" of today.

The Democratic Party stands for constant vigilance—recognizing that the price we pay for military strength and power that will create fear through respect, and deter aggressive action or a sneak attack by Communist Russia, is the premium we pay for liberty and preservation.

The fact is the only thing the Communists respect is what they fear, and that is military strength and power greater than they possess—and that is just as true today as it was before "the summit" conference. And we should not forget that the effective instruments by and through which our national objectives are attained in the field of foreign affairs is our military strength and power. We must be realistic. There is too much involved if we are not.

It is all right to negotiate, but not to compromise ideals and principle and truth which we believe in. And successful negotiations with Communist Russia, as long as the Communist leaders adhere to the Lenin-Stalin intent of world revolution and domination, can only be on the basis of strength.

The Democratic Party has opposed the military cuts that have been made.

Under Roosevelt and Truman we stood for peace through strength. We kept our allies united with us through friendship.

We view with concern the weakening of NATO, the spread of neutralism, the situation at Cyprus, the sale of Communist arms to Egypt, the suspicions growing against us in South Korea and in Formosa—all of which have taken place since "the summit" conference, as well as the situation in South Vietnam and Southeast Asia.

It seems to me that immediate consideration should be given by the administration to get back to the foreign policies of Roosevelt and Truman, which the present administration followed until the summit meeting—the sound policy of peace through strength.

This gathering is representative of the political life and history of America. How fortunate we are to be citizens of our beloved country in which free and untrammeled elections are held, the voters with complete freedom to exercise their judgment and conscience, and to vote for such candidates or party as they desire. It is our duty and obligation to preserve our institutions of government for ourselves and for future generations.

We are fortunate in having the two-party political system—bringing political stability and enabling responsibility to be placed on the party in power. We want this effective party system to continue, rather than a multiple party system of other democratic countries, which usually results in instability. Neither do we want the one party controlled system of dictatorial or totalitarian regimes.

While we oppose and criticize the political mistakes of our political opponents, we respect them. For over and above all, we are Americans, and our country comes "first, last, and always."

While we respect our political opponents, we feel that the Democratic Party in control of our Government is for the best interests of our people. Our policies and leadership have so impressed our people that, today, the Democratic Party is the stronger of our two great political organizations. During the past 25 years, in particular, our party has gained rapidly in strength throughout the Nation. And despite the temporary setback of 1952, the Democratic Party is steadily increasing in strength.

For the backbone of America—the workers, the farmers, the housewives, the small independent businessmen, the average American, are realizing more and more that the Democratic Party is their true friend, that the policies and leadership of our party are dedicated to the service and the best interests of all the people, and not of a select few. They realize that the Democratic Party is not dominated by a combination of certain big-finance and big-business interests, who are nonelected, and who meet in secrecy, and in the main, determine the policies of the Republican Party.

For there is one thought that is rapidly growing in the minds of average Americans, and that is that certain big-finance and big-business interests are in control of the present Republican administration and the evidence of the past 3 years justifies that thought.

The giveaways of the Republican 83d Congress, with the Dixon-Yates contract of ill repute, tax benefits for the few, the attempt to permit big business to exploit the great natural resources of our public domain, which, fortunately, the Democrats in Congress stopped; permitting the wave of mergers, many of them in violation of our anti-trust laws, and designed to eliminate competition and increase prices; the disregard of small and independent businesses; the tremendous influence exercised by representatives of the financial and business barons of our country as advisers on policy of this administration, and occupying positions of conflict, for no man can serve two masters; the bypassing of Congress through the stretched interpretation of some provisions of law, so that they will not have to go to Congress for necessary authorization, which would mean penetrating inquiry and public information; the Republican policy of private utility exploitation of our great natural resources, as evidenced by Hells Canyon and other administrative acts; the breaking of their promises to the workers and the farmers, and to the Government employees, are some illustrations of the extent to which big-business thinking dominates and controls our Government.

But, fortunately, as a result of the election of a Democratic Congress in 1954, the Republicans cannot put through any more giveaways in the Congress. The big interests now look to administrative action by the executive branch, controlled by the Republicans, to accomplish their purposes.

As the 80th Republican Congress is remembered as the do-nothing Congress, so is the 83d Republican Congress remembered as the giveaway Congress.

It is due to the courageous fight made by the Democrats in Congress that some of the proposed giveaways of the Republican 83d Congress were defeated. One thing is certain, in the present 84th Democratic-controlled Congress giveaways by legislative action have been stopped.

The Democratic Party as the minority party in the 83d Congress, and as the majority party in the present 84th Congress, has been a constructive influence. Instead of being a party of "blind opposition," which the Republican Party was during the administrations of the late beloved Franklin D. Roosevelt and the fighting Harry S. Truman, our party has supported good measures, and, when in disagreement with the President, we constructively criticized, constructively opposed, and constructively proposed. As an example, let me refer to the road bill. The plan of the administration would have meant an abdication on the part of Congress of its constitutional powers for a period of from 10 to 30 years. The road plan of the present administration in a period of 30 years would have cost the taxpayers \$11,500,000,000 more than the Democratic plan. This bill was well termed "The Banker's Dream."

Our party has lived up to the highest ideals of a political party. There is every reason for every Democrat, or any person who voted Democratic, to be proud of the action of the Democratic Party. There is every reason for progressive-minded Republicans and Independents to vote for Democratic candidates in the future.

The \$1 minimum wage bill is a great Democratic victory for the workers. You will remember that President Eisenhower recommended an increase only from 75 cents to 90 cents per hour. It was over the opposition of the great majority of the Republicans, who voted for a lesser amount—in the Committee of the Whole—that we put this meritorious bill through.

The passage by the House, which the Senate will pass next year, of the expanded social security bill is further evidence of the constructive leadership of the Democratic Party.

The Democratic Party has always been dedicated to the passage of legislation that

will preserve and strengthen the family life of America. For the family life of a nation is the very basis of its strength or weakness. A strong family life means a strong America; a weak family life means a weak America. And the modern history of the Democratic Party under the immortal Franklin D. Roosevelt, and courageous Harry S. Truman, has been one of fighting for legislation that will preserve and strengthen the family life of our country. And what more noble motive and purpose can any political party have than this?

There are so many bills to which I could refer in support of this statement—among which would be included unemployment compensation, earned annuities, old-age assistance, aid to the sick and the blind, appropriations for medical research, minimum-wage legislation, developing the great natural resources of our country for the benefit of our people, the right of labor to organize and bargain collectively, proper consideration for the farmers, just consideration for small and independent businessmen, protection of bank deposits, housing legislation, proper consideration of our Federal employees, and many other progressive measures, most of which were enacted into law over the bitter opposition of the great majority of Republican Members.

The Democratic Party of today is living up to the traditions and noble ideals of Jefferson, Jackson, Cleveland, Wilson, Roosevelt, and Truman. And I might also say that the few progressive measures recommended by President Eisenhower which have become law were passed only because of Democratic support.

During the past 3 years we have repeatedly read statements by economists and Republican leaders that we will never have another depression, due to "the cushions that exist in the law." Yes; but who put those cushions into the law? It was under the leadership of Franklin D. Roosevelt and Harry S. Truman that the Democratic Party, usually over the bitter opposition of the Republicans, put those cushions into the law.

Whether as a majority or a minority party in Congress—whether under a Democratic President or a Republican President—the Democratic Party in Congress has acted affirmatively and constructively.

So, with the record of broken promises of the present Republican administration, of its domination by certain big business interests, and with the other issues that we have, we can look forward to the 1956 elections with confidence of victory for the Democratic candidate for President, and an increased Democratic House and Senate in Congress, and of further Democratic gains on the State and local level.

## SENATE

MONDAY, JANUARY 16, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, who hast been the hope and strength of many generations and who, in all ages, hast given men the power to seek Thee and, in seeking Thee, to find Thee: To these servants dedicated to the public welfare grant, we beseech Thee, a clearer vision of Thy strength, a greater reliance on Thy unlimited resources, and a more confident assurance of the final victory of Thy kingdom of love. Forbid that facing problems so vast in their ramifications, claiming for their solution our highest powers, any one of us should stain the

brightness of the morning or darken the noontide with any shameful deed, mocking our possible best.

In a tangled day, fraught with destiny for the whole world, curb wild tongues that have not Thee in awe. And here, with all mankind looking and listening, let all bitterness and wrath and clamor and evil speaking be put away with all malice; and may we be kind to one another, tenderhearted, forgiving even as God for Christ's sake hath forgiven us. In His name we ask it. Amen.

## THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 12, 1956, was dispensed with.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 7930) authorizing the completion of the initial stage of development for flood control and other purposes in the Russian River Basin, Calif., in which it requested the concurrence of the Senate.

## HOUSE BILL REFERRED

The bill (H. R. 7930) authorizing the completion of the initial stage of devel-